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NEWSPAPER

July 22, 1991

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Crain's International Newspaper of Marketing • In Two Sections • Section 1 • $2.50 • $3.00 in Canada • £3.50 in U.K.

Two magazines, *Self* and *YM*, rejected Benetton's ad showing a priest and nun kissing. Another ad in the campaign shows a baby with the umbilical cord still attached.

Benetton gets the kiss-off

Magazines say no to retailer's fall ads

By Gary Levin

Benetton will live up to its reputation for controversy with a new fall ad campaign, portions of which have already been nixed by a half-dozen magazines.

The Italian sportswear retailer's latest advertising tops earlier efforts in shock and publicity value, which have cemented Benetton's reputation as an offbeat, socially conscious company.

Benetton's new images include a priest kissing a nun; a placenta-covered newborn baby with the umbilical cord still attached; and what the company calls an "angelic" white girl and a "dark and mysterious" black boy, replete with devilish horns.

The $3.5 million U.S. magazine campaign, part of a 92-country initiative, breaks in August issues of magazines and represents half of Benetton's domestic budget. But the U.S., with just 500 of the company's 6,300 stores, is a relatively small market for Benetton, which pegs its total marketing budget at $78 million.

J. Walter Thompson USA, New York, handles U.S. media planning and buying; creative is handled by Oliviero To-

(Continued on Page 40)

Politics '92 seen as local ad bonanza

By Steven W. Colford

Despite a one-sided presidential race, the politics of 1992 could provide an unprecedented injection of ad dollars for local media and agencies.

The magic word is redistricting, that consequence of the decennial U.S. census that reshapes political boundaries.

"Redistricting will dramatically increase the level of competition and campaign advertising."

California, Florida and Texas are likely to benefit most from the political ad fallout because these states are gaining congressional seats and will witness more races—and media spending—than before.

With states such as New York, Illinois and Pennsylvania losing seats, there's the possibility of two incumbents, possibly from the same party, vying for the same spot.

Another factor: the ever-growing number of ballot initiatives, ranging from no-fault insurance to term limitation for state legislators.

"Redistricting will dramatically increase the level of

(Continued on Page 39)

No recovery in sight

Dim final quarter expected as page slump hits 20-year low

By Scott Donaton

Following the weakest half-year in ad sales in more than two decades and a sluggish summer, magazine publishers' hopes of a fourth-quarter turnaround have all but vanished.

Most publishing executives now agree the ad-page slide that began 20 months ago has hit bottom, but they don't expect an uptick until the first or second quarter of '92.

"Things are looking a little better for the fall, but it's not spelling recovery," said James Kopper, exec VP-group publisher at Times Mirror Magazines.

"I hear business is getting better, but I haven't seen it," said S. Christopher Meigher III, president of Time Inc. Magazine Co.'s New York Magazine Division.

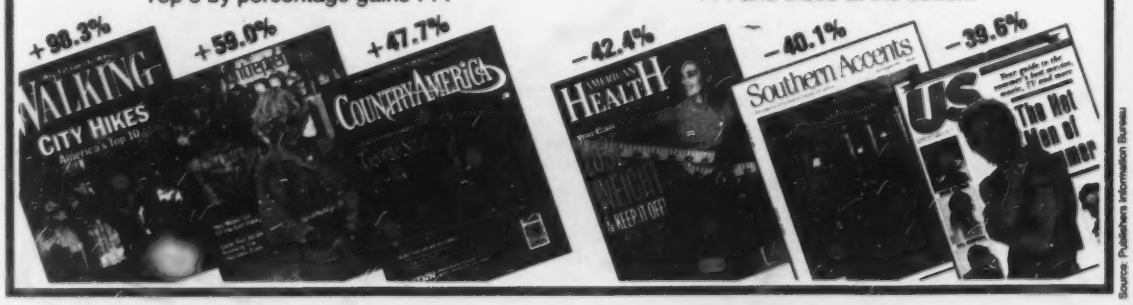
And while publishers expect business to improve in 1992, the outlook for the year is somewhat less optimistic than it was several months ago.

"The word I'm getting from the agency side is that

(Continued on Page 38)

Magazines: First-half winners and losers

Top 3 by percentage gains . . . . . and those at the bottom



Source: Publishers Information Bureau

LAST MINUTE NEWS

'National' may be revived

NEW YORK—*The National* is attracting the interest of several parties seeking to revive the sports daily. "There are ongoing discussions about the acquisition of *The National*," said Stephen Hammond, a spokesman for the paper's owner, Mexican media mogul Emilio Azcarraga Milmo. He said several groups have come to Mr. Azcarraga with plans to reincarnate the paper in various forms but "nothing has been decided." One rumor is that a group wants to relaunch the paper on the East Coast this fall.

Calif. tobacco bill advances

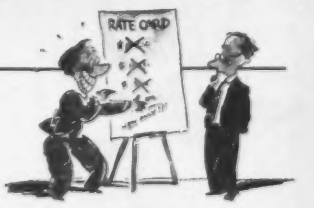
SACRAMENTO, Calif.—Gov. Pete Wilson is expected to sign a sweeping tobacco education bill that includes an annual budget of $16 million for three years for anti-smoking ads. The measure, approved by lawmakers last week, would allow the state to continue a controversial campaign previously budgeted at $28.6 million for 18 months. The state expects to send out to agencies a request for proposals by September; Livingston & Keye, Venice, is the incumbent.

O&M in trouble at Smith Barney?

NEW YORK—Smith, Barney & Co. is meeting with agencies about its account, now at Ogilvy & Mather, sources said. The account, which billed $8.5 million as recently as 1987, has been largely inactive recently. A Smith Barney spokesman said the brokerage has met with other agencies from time to time, but wouldn't confirm or deny whether there was a formal review under way. O&M, Smith Barney's agency since 1979, created the celebrated "They

(Continued on Page 8)

INSIDE



Media Buying & Planning: How do they rate? Buyers tell sellers in no uncertain terms. **After Page 24**

Demographics: Boomers create baby boomlet. **Page 3**

NEWS SUMMARY

■ **Benetton** continues with controversial offbeat ads in its fall campaign, and a number of U.S. magazines have already turned down some of them. 1

■ **Magazine publishers** think the ad page falloff has hit bottom, but don't expect a recovery until early 1992. 1

■ **Political advertising** volume should increase next year, due to congressional redistricting in many states and more ballot questions in local elections. 1

■ **Seiko Corp.'s** first global marketing effort will be tied to its roll as offical timekeeper of the 1992 Summer Olympics. 3

■ **Network TV sales** for next season are veering into prime time and daytime, and away from previously hot segments. 3

■ **Black-oriented movie** advertising and promotions may be changed following the violence connected with Columbia Pictures' "Boyz N the Hood." 3

■ **Global advertising** is attracting new marketers as a number of developments lead to more brands sold worldwide. 4

■ **Procter & Gamble** has entered into a joint venture in Argentina with Eguimad, a privately held marketer of paper products, including disposable diapers and sanitary napkins. 4

■ **Kraft General Foods** will test market Eating Right frozen dessert, a reduced-fat, reduced-calories line in 10 flavors. 4

■ **Bank mergers** around the country may mean fewer accounts for advertising agencies. 6

■ **Integrated marketing** communications, sometimes called the "new advertising," is being inhibited by "agency egos," says a University of Colorado study. 6

■ **Guy Day,** a founder of Chiat/Day/Mojo, has joined McElligott Wright Morrison White as vice chairman. 6

■ **Banks** are expending more marketing efforts on attracting affluent customers and their large bank balances. 12

■ **Steven Dworin** left as senior VP of J. Walter Thompson USA to become president of the Deutsch agency. 25

■ **Sears, Roebuck & Co.** introduced KidVantage, a warranty and discount program for children's apparel. 30

■ **US Sprint's** first TV effort for its international service, Sprint World, features Candice Bergen delivering her pitch in French, with English subtitles. 37

■ **Ford Division** will use fewer magazines but more frequency in its 1992-model print advertising campaign. 37

■ **Network TV scatter buys** for the 1991-92 season are termed extremely soft. 38

■ **Burger King** is offering H.J. Heinz Co.'s Weight Watchers' entrees in a Miami test, furthering a trend among food marketers that may alienate supermarkets. 40

■ **Walt Disney Co.** plans a $25 million budget to promote its limited videocassette release of "Fantasia" next fall. Other video marketers also plan heavy holiday advertising. 41

■ **World Gold Council** will introduce Goldmark, an international brand mark for gold jewelry. 42

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Fiat selects Testa for pan-Europe drive

By Michelle McCarter

ROME—Italian auto marketer Fiat is consolidating the nearly $90 million pan-European account for its Lancia passenger cars with the Gruppo Armando Testa agency network.

Vittorio Rava, Fiat's director of advertising, confirmed the deal and said it hasn't been decided yet whether Testa will create a single pan-European campaign for Lancia or separate campaigns targeting individual markets.

That decision will be made in September, he said.

"Armando Testa was chosen because it is the No. 1 Italian advertising agency, not only in terms of billings, but also because it is a leader in all senses of the word," Mr. Rava said.

Testa's base in Turin, also Fiat's headquarters, counted in the agency's favor. It's unclear whether other agency networks were considered.

A Lancia executive in Germany said the company wants to unify the look of the car's campaign across Europe. *Lancia executives* there and in the U.K. hadn't been informed of the agency selection at press time.

Until now, Lancia has used local agencies including Turin-based Canard Advertising in Italy; Leonhardt & Kern, Stuttgart, in Germany; Bordelais, Lemeunier Leo Burnett, Paris, in France; and Reay Keating Hamer, London, in the U.K.

Testa will take over in January, and is expected to resign the conflicting $8 million BMW account for Italy.

Marco Testa, Armando Testa ceo, wouldn't comment on Lancia or BMW beyond saying: "Our contract with BMW is valid through Dec. 1, 1991."

Lancia's new agency alignment is part of a trend by European car companies to explore a more international approach to advertising.

Lancia's new agency alignment is part of a trend by European car companies to explore a more international approach to advertising.

Earlier this year, Swedish auto marketer Volvo hired consultants Scan International to review the company's European advertising coordination. Scan works with marketers on agency selection and remuneration.

BMW has talked to its main agencies, including Ammirati & Puris, New York; WCRS, London; and Scholz & Friends, Hamburg, about jointly developing campaigns that can be used in other markets.

Fiat, marketer of Fiat, Alfa Romeo and Lancia autos, vies with General Motors Corp. for second place in the European auto market after Volkswagen.

According to Adtrack, a company that monitors ad spending, Lancia in 1990 was supported by $53 million in print advertising across Europe and $36 million in TV advertising in several markets.

Adtrack reports spending at rate-card prices without taking into account discounts negotiated, so that $89 million estimated total could be substantially higher than actual spending. But Adtrack doesn't monitor TV spending in all markets.

The fast-growing Gruppo Armando Testa ranks No. 38 among the world's top advertising organizations, with gross income of $63.5 million in 1990, a 25.3% increase from the previous year.

Testa has held talks with Ketchum International, Pittsburgh, about forming a partnership to reinforce its presence in Asia and North America, where Testa has a small New York office, Testa *executives say.*

Jan Hedquist, Ketchum International managing director, said the two weren't close to an agreement. □

Dagmar Mussey in Duesseldorf and Laurel Wentz in London contributed to this story.

FTC confronts green muddle

By Steven W. Colford

WASHINGTON--Procter & Gamble Co. may discontinue "recyclable" claims on a line of products in Rhode Island because of that state's new green regulations, VP-Advertising L. Ross Love told the Federal Trade Commission during hearings last week.

Mr. Love said P&G attorneys were still reviewing the matter, but it underscored a key argument in the ad industry's call for national guidelines for green claims.

Whether the five-member FTC will go along is yet to be determined, but from the tenor and direction of commissioners' questions, a decision isn't likely to come as quickly as the business community might like.

Chairman Janet Steiger said no decision on whether to move ahead would come before the agency's August recess; she wouldn't say if a decision might come down by yearend.

Commissioner Mary Azcuenaga, the agency independent who's publicly questioned the need for guidelines, said she doubted a decision would be made before her seven-year term lapses Sept. 25.

P&G's dilemma arose after Rhode Island adopted a regulation on recyclable claims.

While marketers want to make environmental claims, most don't want to move forward until they can be assured of consistent, national regulation.

Marketers are so troubled by the prospect of states pursuing different regulatory directions that executives who testified downplayed the angle that future FTC environmental guidelines would be voluntary and wouldn't pre-empt state laws and regulations.

"We favor pre-emption as a last resort," P&G's Mr. Love said. "We hope guidelines will lead to uniformity" and state regulators and legislators will defer to the FTC's lead.

"We are at a crossroads," Hal Shoup, exec VP of the American Association of Advertising Agencies, told the commission. "Right now, environ-

(Continued on Page 40)

Mazda ready to fly Pegasus luxury line

LOS ANGELES—Mazda Motor of America's apparent "go" on a new luxury line for the 1995 model year is igniting an agency review that's been idling for months.

Mazda is expected to announce shortly that it will create the new car division, code-named Pegasus. That will immediately set off an agency competition for the estimated $50 million account.

Della Femina, McNamee, which recently lost the $95 million American Isuzu Motors account, is scheduled to meet with Mazda executives this week, car agency sources said.

One scenario put forth by industry observers has Foote, Cone & Belding, whose Santa Ana, Calif., office handles Mazda, spinning off a second operation to handle the new upscale division.

Just as likely though, is that the account would be serviced by FCB's San Francisco office; some car agency sources say it's already at work on the pitch.

Other agencies that have been talking to Mazda and its ad consultant, Don Dorward, include Jordan, McGrath, Case & Taylor; TBWA; and Bloom FCA, all New York.

The Pegasus announcement is expected well before the annual dealers meeting in September, possibly within two weeks. Two Mazda employees have pointed to an Aug. 6 announcement.

As with Toyota Motor Sales USA's Lexus, Nissan Motor Corp. USA's Infiniti and American Honda Motor Co.'s Acura, Mazda will likely begin with two products. In Mazda's case, a V-8 flagship and a V-6 "entry-level" sedan are expected in 1994 as 1995 models. A coupe based on the flagship could follow the next year.

The go-ahead comes more than

(Continued on Page 8)

Agencies feel crunch in bank merger wave

By Gary Levin

An expected spate of bank mergers is threatening ad agencies—already hurt by the recession—with the further erosion of a major retail ad category.

Chemical Banking Corp. and Manufacturers Hanover Corp., two of New York's biggest banks, last week announced plans for the largest banking merger in U.S. history.

Atlanta-based Wachovia Corp. late last month agreed to merge with South Carolina National Corp., just after Wachovia began an ad campaign touting a new identity from an earlier merger.

"There's no doubt the banking industry will consolidate heavily over the next several years."

Another Southern bank, NCNB Corp., Charlotte, N.C., last week continued buyout talks with C&S/Sovran Corp., Atlanta and Norfolk, Va.

"There's no doubt the banking industry will consolidate heavily over the next several years," said George Salem, a banking analyst at Prudential Securities.

Unrelated to the merger activity, San Francisco-based Bank of America, the West Coast's largest bank, last week named Ketchum Advertising to handle its $25 million retail and corporate advertising account, leaving Grey Advertising after 23 years.

The Chemical-Manufacturers Hanover merger would create the country's second-largest bank, with $135 billion in assets, second only to Citicorp. Bank of America currently ranks second.

The combined bank, using the Chemical brand name, would become the nation's No. 6 credit card issuer and would rank first in the New York region's retail banking market, the companies said.

It was unclear how the New York merger would affect ad agencies for both banks, which spent roughly $10 million each on advertising last year, down 25.9% from their combined spending in 1989.

Chemical's main agency is Della Femina, McNamee, New York, while McCann-Erickson Worldwide handles Manufacturers Hanover. Both agencies and banks declined comment.

Spending in the entire bank and savings & loan category has declined even without mergers.

Total measured ad spending by banks fell 7.3%, to $463.6 million, in 1990, while thrifts' ad budgets declined 21.2%, to $156.1 million,

(Continued on Page 12)

New ideas, old barriers

Survey: 'Egos' inhibit integrated marketing

By Scott Hume

The old jealousies are the biggest barrier to implementing the "new advertising."

Integrated marketing communications—the coordination of media advertising, direct marketing, promotion or public relations for a brand—has become the hot marketing issue of the 1990s. Should marketers employ it? If so, should it be through one or several agencies? Should the marketer or the agencies set up the integrated program?

A new study found most marketers say the concept is very valuable and are looking to their agencies for help in implementing it.

But marketers rank "agency egos" as the biggest barrier anticipated in putting an integrated strategy in place.

The new study was conducted by Tom Duncan, associate professor of journalism and chair of the advertising sequence at the University of Colorado at Boulder's School of Journalism & Mass Communication. The Colorado study found 56% of company executives responding said a client and its agencies must jointly take the initiative to make integrated marketing work, while 42% said the client alone should take the initiative.

Among the biggest advertisers (those with annual ad and promotion budgets of more than $50 million), more than half the responding companies (55%) said they, not their agencies, should take the initative.

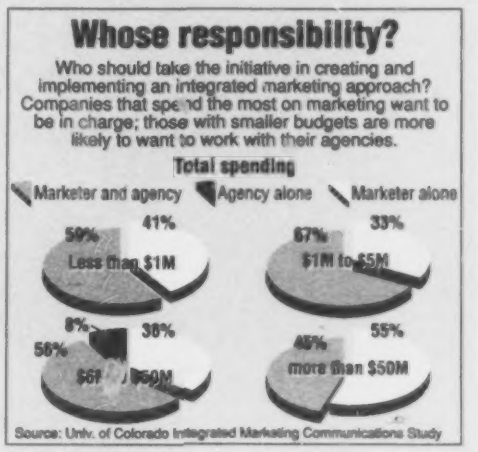
Smaller advertisers are more likely to opt for a joint marketer-agency initiative.

"I think this study shows agencies are in a position to take a leadership role," Mr. Duncan said. "Clients want their agencies involved in the process of integrating marketing messages. I interpret the results as the clients saying to agencies, 'You people are the communication experts. You ought to be able to help me put this concept to work.' "

The study will be presented to the American Association of Advertising Agencies.

Questionnaires were mailed in March and April to 500 randomly selected company subscribers of *Advertising Age*; 216 companies responded. The survey has a 6% margin of error.

The biggest outside barriers to integrated communications are "agency egos" (68% agreeing or strongly agreeing), "fear of budget loss" (57%) and lack of knowledge by agencies in multiple areas (56%), the respondents said.


Whose responsibility?
Who should take the initiative in creating and implementing an integrated marketing approach? Companies that spend the most on marketing want to be in charge; those with smaller budgets are more likely to want to work with their agencies.
Total spending
Marketer and agency
Agency alone
Marketer alone
50%
41%
Less than $1M
67%
33%
$1M to $5M
8%
38%
56%
$6M to $50M
45%
55%
more than $50M
Source: Univ. of Colorado Integrated Marketing Communications Study

JOHN SMITHER

The Colorado study paints a somewhat different picture of marketer attitudes than a Northwestern University study that was presented to the recent annual meeting of the Four A's.

Some ad agency executives have become more critical of the what's being called the "new advertising," and that attitude was on display at the Four A's meeting.

The earlier Northwestern study found that while most companies support the concept of integrated marketing, 87% of company executives said they alone were best suited to oversee the coordinating. □

Guy Day goes to McElligott

By Bob Geiger

MINNEAPOLIS—If American Isuzu Motors hires McElligott Wright Morrison White, the automaker will get not only the West Coast office it says its agency must have, but Guy Day as point man.

Mr. Day, 57, co-founder in 1968 of Chiat/Day (now Chiat/Day/Mojo), joined McElligott Wright last week as vice chairman. He will be based in Los Angeles and will focus on the agency's bid for the creative portion of the $90 million Isuzu account. Even if that attempt fails, McElligott Wright will open a West Coast office.

Also vying to succeed Della Femina, McNamee, Los Angeles, on the account are Altschiller Reitzfeld/-Tracy-Locke and McCabe & Co., both New York; Carmichael Lynch, Minneapolis; and Goodby, Berlin & Silverstein, San Francisco.

President Tony Wright earlier said if the shop won the Isuzu account, a Los Angeles-area office would be opened. McElligott Wright already works for Anaheim, Calif.-based Universal Cellular.

Even if McElligott Wright fails to win Isuzu, Mr. Day will remain with the agency, Mr. Wright said.

Mr. Day, who helped introduce American Honda Motor Co. to the U.S. in the 1970s, brings additional automotive expertise to an agency that already boasts some credentials in the category. Agency cofounders and former Chiat executives Mr. Wright and Rob White worked on the Nissan Motor Corp. USA account during their tenure at Chiat in the late '80s; Mr. McElligott headed creative on the Porsche Cars North America account at Fallon McElligott. Mr. Day consulted for Porsche on the 1987 review that gave that account to Fallon. □

Marcy Magiera contributed to this story.

What's ahead for Carat

Gilbert Gross, 60, who in 1964 founded what's now Carat Espace, and his brother, Francis, 56, are looking to expand their media buying expertise to the U.S. and Asia.

As they prepare for a split with Eurocom and the elimination of European trade barriers in 1992 with the acquisition of the remaining stock in their 13 European partner companies, the brothers talked to Advertising Age *correspondent Bruce Crumley about their U.S. expansion plans.*

ONE ON ONE

Advertising Age: *When will Carat arrive in the U.S.?*

Francis Gross: Next year.

Gilbert Gross: We absolutely have to establish ourselves in the U.S.—it's unavoidable and fundamental. It's a priority.

Carat Espace's Francis (r.) and Gilbert Gross say expanding to the U.S. is a priority.

AA: *Will you enter via acquisition or joint venture?*

Gilbert Gross: We are examining that question . . . that's all we can say.

AA: *Given your run-ins with French agencies, do you think U.S. agencies are concerned about your plans?*

Francis Gross: There must not be a misunderstanding in America. There is a difference between Europe, the world and France. France is a rather peculiar country in that as soon as one person is successful, others are jealous. . . .

[When we] launched an ad campaign saying, "Gentlemen, let's be serious," . . . it was very badly received outside of France. . . . This was in no way intended to say to people in the U.S., "Zorro is on the way. You'd better watch it." . . . This ad campaign was [run in] France.

AA: *Unlike France, U.S. media maintain fixed rates for space, and price and purchase conditions are constant. Can Carat be successful in the U.S.?*

Francis Gross: North America is a healthy market. . . . When people see how we adapt our methods of analyzing media to the American market and perform as media planners, we'll do well. . . .

As soon as the client who is used to paying $100 for $100 worth of space sees that for the same price, thanks to Carat, he can get the added value of space worth 30% more, he'll necessarily be willing to pay the $10 extra representing the fee for our studies.

AA: *If you're working in the U.S., what amount will have to be involved before the media decide to grant discounts?*

Gilbert Gross: In France or Europe, a client who is ready to spend $10 million to $100 million would benefit from different conditions than a client buying much less. I have no idea what this limit would be in the U.S.

In Europe, 70% to 80% of the sales figures for all media were made by the six or seven largest owners of media, while the 10 biggest advertisers . . . only constituted around 10% to 15% of these sales. So the power of the media owners and that of the largest advertisers is totally disproportionate.

AA: *Are U.S. agencies afraid their clients will switch media buying to Carat when you enter the U.S.?*

Gilbert Gross: I don't know, but I must say that this is an absolutely ridiculous debate. I say jokingly—but not totally—in France: What differentiates us from an ad agency? The creative department, that's all.

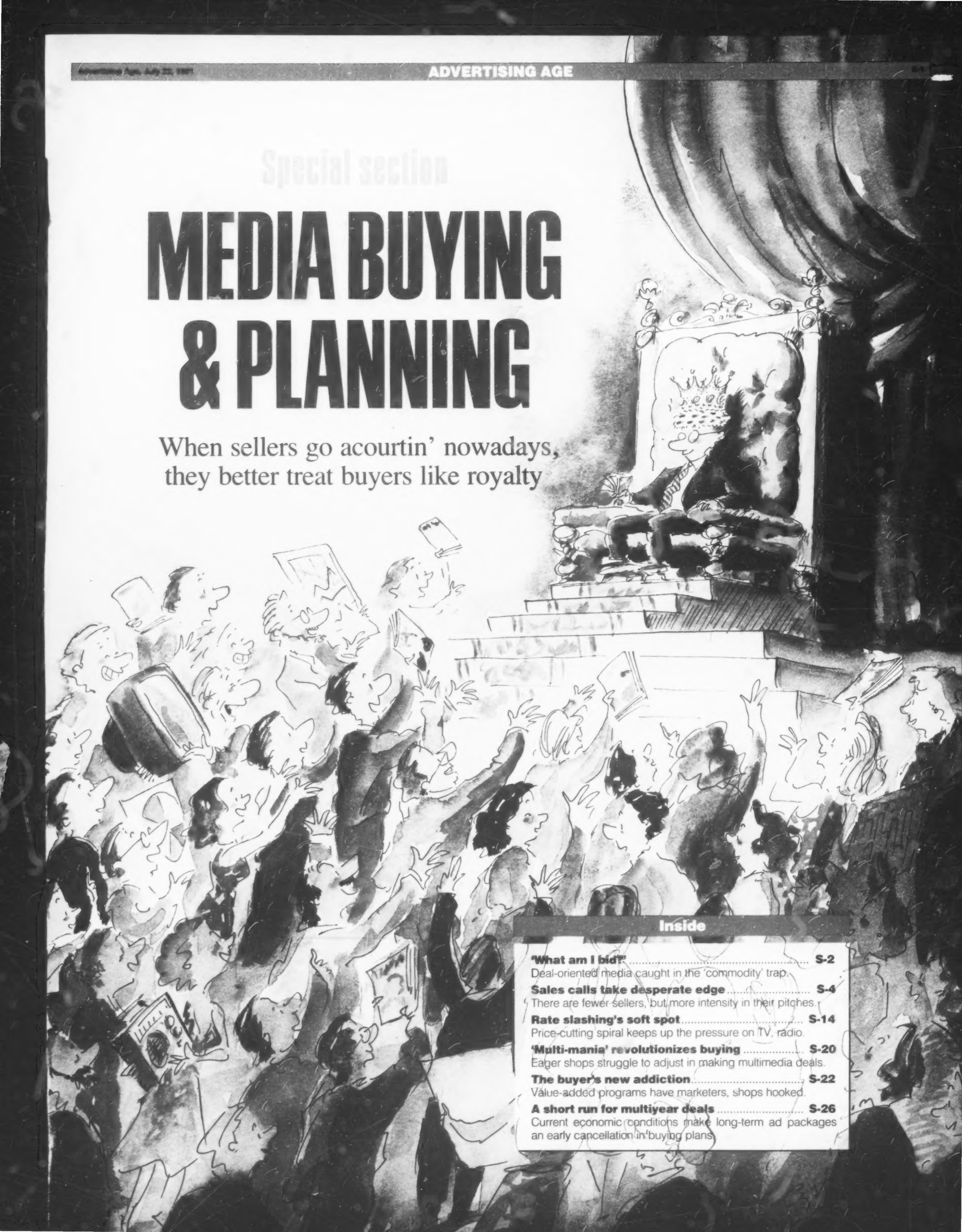
AA: *And in the U.S.?*

Gilbert Gross: Since we won't be opening in the U.S. without an American partner, we'll know how to deal with this problem. I hope [the partner] will be sufficiently powerful to get us accepted on American territory. □

Special section

MEDIA BUYING & PLANNING

When sellers go acourtin' nowadays, they better treat buyers like royalty



Inside

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Deal-oriented media caught in the 'commodity' trap.

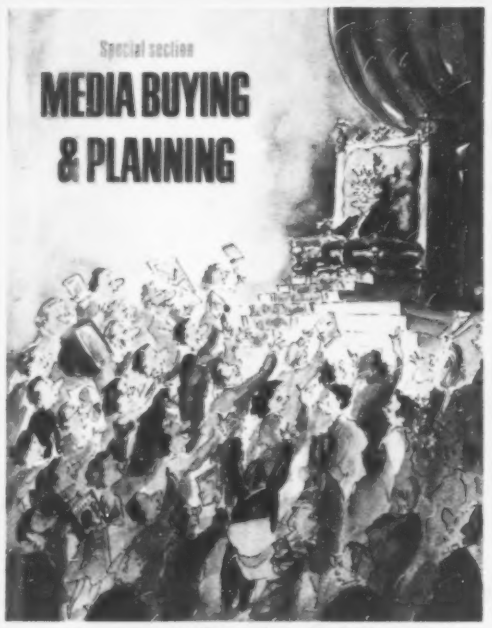
Sales calls take desperate edge S-4
There are fewer sellers, but more intensity in their pitches.

Rate slashing's soft spot S-14
Price-cutting spiral keeps up the pressure on TV, radio.

'Multi-mania' revolutionizes buying S-20
Eager shops struggle to adjust in making multimedia deals.

The buyer's new addiction S-22
Value-added programs have marketers, shops hooked.

A short run for multiyear deals S-26
Current economic conditions make long-term ad packages an early cancellation in buying plans.



Cover illustration by Steve Bjorkman

Crowning effort

The buyer is king. The buyer is judge and jury. The customer is always right.

Never false, these statements also are never more true than during a recession.

Like supplicants humbling themselves before the throne, media sales reps are in the unenviable position of trying to woo increasingly discriminating media buyers and planners.

As ad budgets get tighter, the fight among media for remaining dollars has become even more intense.

In the story on this page, Foote, Cone & Belding's William Evans says, "Reps are very hungry," a hunger that's caused them to view their media more and more as a commodity.

While buyers don't complain about the price slashing that results from sellers treating their products as commodities, cost isn't the only factor. Media directors say they've gotten smarter about designing and implementing media plans, and they want sellers to get smarter, too.

They want sellers to keep up with their hunger for sophisticated multimedia packages and value-added programs. They want advice and creative thinking from sellers. They want more targeted presentations and less wasted time.

And, of course, they *do* want it all for less money.

As stories throughout this section indicate, price slashing is here to stay in most media. Those media resisting rate cuts, look out. Buyers want to see more flexibility or they'll take their business elsewhere.

To gauge the relationship between media buyer and seller, *Advertising Age* asked Beta Research Corp., Syosset, N.Y., to conduct a telephone survey of 202 media directors. The sample was randomly selected from media executives at the 500 largest U.S. agencies.

Their message to sellers is quite clear: When you're granted an audience, spend less time worrying about yourselves and start being more concerned about buyers and planners and their clients.

Media sellers not heeding this advice: Off with their heads!

Edited by Julie Steenhuysen

'What am I bid? What am I bid?'

Media caught in 'commodity' trap

By Gary Levin

Media buyers give media sales reps an "A"—for average.

An *Advertising Age*/Beta Research Corp. survey of media directors finds that 76.2% of them describe the average sales call as, well, average.

The survey shows just 15.8% give sales reps high marks, while 8% rate them as "poor." Nearly 30% say reps are less well-trained than they were two years ago, while 45.5% report no change in reps' abilities.

The most common complaint is that in this recessionary climate, too many sales reps view media as merely a commodity business: How low must they go to prevent a rival from getting the order?

"In certain areas, all they're concerned with is how much [business] their competitor is going to get: It's 'don't shut me out,' " says Don Cole, senior VP-media director at W.B. Doner & Co., Baltimore, in a comment fairly typical of agency responses.

Despite a shakeout under way in the magazine business, an expanding number of media outlets are competing for a shrinking pool of ad dollars, and that's led many to deal and discount.

"The focus is more and more on media as a commodity," says William Evans, senior VP-executive media director at Foote, Cone & Belding, Los Angeles.

Instead of selling based on the merits of the medium, "the talk is about rates and pressures on the rep to increase his share of business," Mr. Evans says.

Buyers believe many sales reps already know what agencies have been trying to tell them: If you want my order, learn more about my clients and tell me how I can help them.

But survey respondents describe sales reps as vendors twice as often as they call them partners who help address clients' marketing needs.

Almost 67% of media directors say reps place more importance in writing an order than in addressing their clients' needs. Just more than half of the media directors surveyed also say media salespeople are unaware of their clients' marketing strategies and category positions.

"There's growing awareness that they should be involved in clients' businesses, but I don't think they're any better at it," says Michael White, exec VP-media director at DDB Needham Worldwide, Chicago. "You still hear stupid stuff."

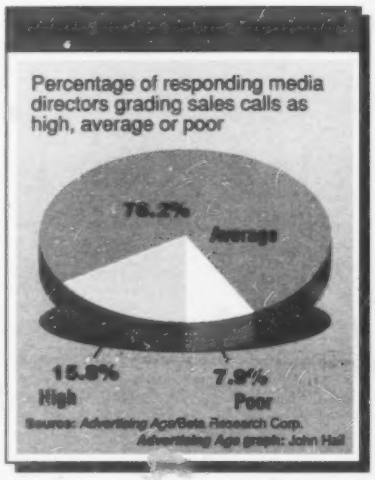
Some buyers attribute the "commoditization" of media sales to tough economic times, noting that many falsely believe they'll get the order only with bells and whistles.

"Overall, what I see is a situation where reps are very hungry, understandably, and I see the emphasis going in a direction which is very disturbing," says FCB's Mr. Evans. "They're trying to attract the attention of buyers with direct mail pieces, giveaways and prizes, which takes the focus off what they have to offer compared to their competitors."

Many say the quality varies with the medium: By and large, agency media executives rank the quality of magazine reps higher than broadcast salespeople but say cable TV and outdoor sellers have had to muscle their way into media plans and have proven more innovative as a result.

"The consumer magazine media have always done the best, probably because most of their business in one way or another is marketing based [rather than being focused more on hard numbers]," says Joel Kushins, senior VP-media director at Bozell, New York (*see related story on Page S-7*).

The outdoor industry has become more flexible and aggressive as it battles social pressures of highway outdoor "board blight" and declining spending by the medium's two largest customers, tobacco and alcoholic-beverage marketers.



But TV reps don't impress buyers in terms of their attention to detail, in part because they've relied for so long on steady demand for their increasingly costly inventory of TV spots. Nor do radio salespeople: "Radio's a great medium, [but] a lot of people just seem to be order-takers; they don't really sell the medium itself," Mr. Cole says.

Since the recession began, buyers say sellers of media have focused most heavily on their product's position compared with its competitors, on rates and on so-called "value-added" marketing and merchandising programs, which have expanded rapidly in recent years. Those can include multititle magazine deals to cross-promotions among several media.

Media buyers really would like discussions of value-added programs but also want more knowledge of an

(Continued on Page S-28)

'The focus is more on media as a commodity' instead of selling based on the medium's merits

'Desperation in their voices'

Fewer sellers, but more intensity in their appeal

By Jon Lafayette

More with less is becoming the mantra for many media operations.

The recession has forced media companies to be more aggressive and creative in selling their products, while in many cases drawing on fewer resources.

"That is the reality," says Dave Long, newly appointed VP-marketing at Time Inc. Magazine Co. and former ad director at *People*, where the sales staff is 25% smaller than it was two years ago.

But media buyers have noticed no decline in the intensity with which ad sellers pursue buyers.

In the *Advertising Age*/Beta Research Corp. survey of more than 200 media directors, 81.2% say they're being called on enough times by media reps to meet their needs.

"The spot reps are voracious; the magazine reps are tenacious. Everyone has a bit of desperation in their voices. There's more contact. I'm sure sales managers are leaning on them," says Tom Winner, exec VP-director of media operations at Campbell-Mithun-Esty, New York.

Media sales managers stress the importance of having reps out in the field during tough times.

"All you can do in a situation like that is make sure that the clients you do have know how much you appreciate their business," says Stephen Seabolt, the new regional VP-sales at Time Inc. Magazine Co. and former U.S. ad sales director for *Time*. "If there was ever a time to hug a client . . . a recession is that time."

"The downturn's not forever, so we've got to be there," agrees John Silvestri, exec VP-ad sales at USA Network. "We've got to make more calls. We've got to work harder. We all do," he says.

"We're making more client calls. We're looking at businesses that don't spend much money on television and trying to come up with new ways to get them to spend it on cable," says John Barbera, president of Turner Broadcasting Sales.

Even in these tough times, "we're eternal optimists," he says. "We figure you keep knocking on the door and somebody will say yes."

But because of the depth of the recession, added effort doesn't usually translate into added sales. Ad sellers are huffing and puffing to keep a bad situation from becoming worse.

> **"I think you need the presence in the field, so for us to cut further would be overall more damaging."**

Media buyers say the stepped-up effort has resulted in new opportunities for clients.

"From our vantage point, the network guys have made the most effort. Pursuing small amounts of money, trying to come up with opportunities vis-a-vis spot budgets, following up with us," says Stacey Lippman, senior VP-corporate media director at Chiat/Day/Mojo, New York.

But despite the effort, the recession hasn't changed the content of the sales message all that much.

"I'm not sure they really know how to respond yet, but I think they know they need to do something other than what they've been doing for the last 30 years," Mr. Lippman says.

In the *Ad Age*/Beta Research survey, 62.4% of respondents say they notice no change in the quality of media sales presentations since the recession began. Another 24.3% say they see an improvement, while 13.4% say quality has declined.

The survey also reports 55% of media buyers see no change in the quality of individual sales reps. Indicating tough times have been good for some reps, 22.8% of responding media directors say the quality of media sellers actually has improved. However, an almost equal number of media buyers—22.3%—say quality has dropped.

Media executives insist that at the same time they're working with fewer people and resources, they're working harder and putting more substance into their efforts.

"We're a lot smarter and a lot more creative, and that's what it takes," says George Schweitzer,

(Continued on Page S-6)

Russ Boehm, Wichita, Kansas

He doesn't sip Pouilly-Fuissé.
He drinks beer from the bottle.

TNN: The Nashville Network represents a rare opportunity for mass marketers. That opportunity is a large, loyal audience who spends almost all their disposable income on American products and services.

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What makes the young buyer tick

Behind every great media director is a legion of young media professionals ready to make their boss look good.

They may not be the architects of the new media strategies, but these buyers and planners are charged with implementing increasingly complicated buys. As their jobs have become more complex they've become more rewarding, as evidenced by the growing number who say they want to stay in media.

To shed light on those charged with doing the nuts and bolts aspects of media buying, we selected buyers from Advertising Age's *ranking of the top 10 U.S. agencies.*

Instead of focusing on their jobs, we asked about personal media histories and habits. While most were weaned on "The Brady Bunch" rather than the funny papers, this bunch won't let that influence their buying patterns.

Ten profiles, starting with the two on this page, appear throughout this section under the banner "Doer's profile."

Doer's profile

Name: Jan Herbert

Title: supervisor-print services

Agency: Young & Rubicam, New York

Years in current post: 2

Years in media department: 5

What newspapers do you read for world events, news? *The Wall Street Journal.* I get world events from newsweeklies.

When did you first start reading the newspaper? Two years ago.

What was your first magazine subscription? *Highlights.*

What magazines do you read for pleasure now? *Premiere, Entertainment Weekly, People, Business Week, Fortune, Glamour, Utne Reader.*

These are the ones I bring home and read regularly—I get practically every magazine in SRDS [at work].

What were your favorite TV shows as a kid? It depends on what age. I used to watch everything as a kid. We watched "The Brady Bunch" and "Partridge Family" at one point in time. Saturday mornings there was always something—I remember "Land of the Lost," and on Sunday mornings it was "Davy & Goliath" [and] "Bugs Bunny."

I'm the only person I knew that memorized the *TV Guide* lineup in grade school. My brothers used to never read *TV Guide*; they'd come home and just ask Jan what was on.

In college I always watched soaps—the ABC lineup. I attended Luke & Laura's wedding [on "General Hospital"] in college.

What cancellation of a broadcast TV show saddened you? "Thirtysomething." I was disheartened by that. I enjoyed the show; am sad to see that go. "Twin Peaks," though if that last show was any indication of what was to come, it was too weird. I wouldn't miss it.

What are your favorite TV shows now? "In Living Color" and the CBS lineup on Monday—"Evening Shade," "Major Dad," "Murphy Brown," "Designing Women" topped off by "Northern Exposure." I also like a lot of Fox, like "Beverly Hills 90210" [and] "The Simpsons."

What show captured your fancy when you first got cable? I would have to say MTV. If Paragon [the basic cable service in New York's Upper West Side] offered VH-1, I would get that. Also if I [could get] "Nick at Nite" I would watch it. I don't subscribe to additional pay-cable features because I don't watch enough TV to justify the added expense.

What do you feel is hottest cable show now? "Tales From the Crypt" —the HBO series.

What type of radio did you listen to as a kid? I listened to WGSM-AM, 740 on the AM dial, the Station of the Stars, in Huntington, Long Island. My father was the morning radio announcer there, so every morning Mom had on the radio, listening to Dad's show. The format was middle of the road. My dad always played "Puff the Magic Dragon" and I always thought it was such a sad song.

What type of radio do you listen to now? WDRE-FM [an alternative music format] because my roommate listens to it and her alarm clock wakes us up, so she gets to pick the radio station. But I'm actually liking it now.

What childhood movie influenced your life? I vividly remember seeing three movies from my childhood. "Romeo & Juliet" [the Franco Zeffirelli version] and the first two R-rated movies I saw; I was 11 and it was a double feature: "Play Misty for Me" and "Cabaret."

What's the last good movie you saw? "Thelma & Louise," "Jungle Fever," "What About Bob?"

What actress would you want to play in your life story? Meg Ryan. She's got a fun personality. If my picture goes with this it will be a hard thing to see, but I've had four or five people tell me I have a similar look to her. The big major difference is that she gets to sleep with Dennis Quaid but I don't.

—Adrienne Ward

'Desperation in their voices'

(Continued from Page S-4)

senior VP-communications at CBS. "It's not just the number of people; it's the creativity and effort that's put into it."

Mr. Schweitzer says CBS is being more creative in packaging its inventory to create bundles that are more attractive to advertisers.

"We're selling different dayparts together and packaging a lot more of our sports," he says.

People also has taken steps toward a more creative deployment of its sales staff. Once arranged along client lines, *People's* sales staff is now structured along ad agency lines. Mr. Long says the new structure was created partly because agencies have slimmed down during the recession.

"We're trying to run the most effective, efficient operation we can," Mr. Long says, a statement bolstered by the 25% reduction in *People's* sales force.

People also installed a new plan to attract pages from marketers that hadn't previously advertised. While its ad pages plummeted 10.9% in the first four months of 1991, the drop would have been more extreme without 400 pages generated from new advertisers this year.

But most do not see the recession as something that has become integral to their sales pitch.

"The recession itself has not become a focus of our presentations or what we do," Mr. Long says.

"I think it is generally understood in the business and the industry that the savvy marketers market throughout a recession, and those are the ones that come out in the most robust manner. But we have not focused on that as a critical selling point. Maybe we should have."

"We built a presentation around why it pays to advertise in a recessionary period," Mr. Silvestri says. "We were out with that early in this game. That's pretty well passe now."

Findings from the *Ad Age*/Beta Research survey back up his opinion: When asked what they would like media presentations to focus on, only 23.8% of media directors say "advertising during a recession."

Many media sellers believe that despite the increased pressure of the recession, the fundamentals of selling media have not changed.

"It really hasn't for our titles because our approach has always been the quality of the magazine," says Tom Witschi, VP-publisher of *American Photo* and *Popular Photography*. "I think you get that with a lot of the special-interest categories because they're selling the uniqueness of their readers. That never changes."

Mr. Witschi adds that his staff always has to hustle. "There's never a time when ads just roll in," he says.

Popular Photography, which had an ad page increase of 17.7% in 1990 and 6.5% in the first four months of the year vs. the same period in 1990, has not cut its sales staff, Mr. Witschi says.

"We're set up to be lean and mean," he says. "We don't have a ton of salespeople.

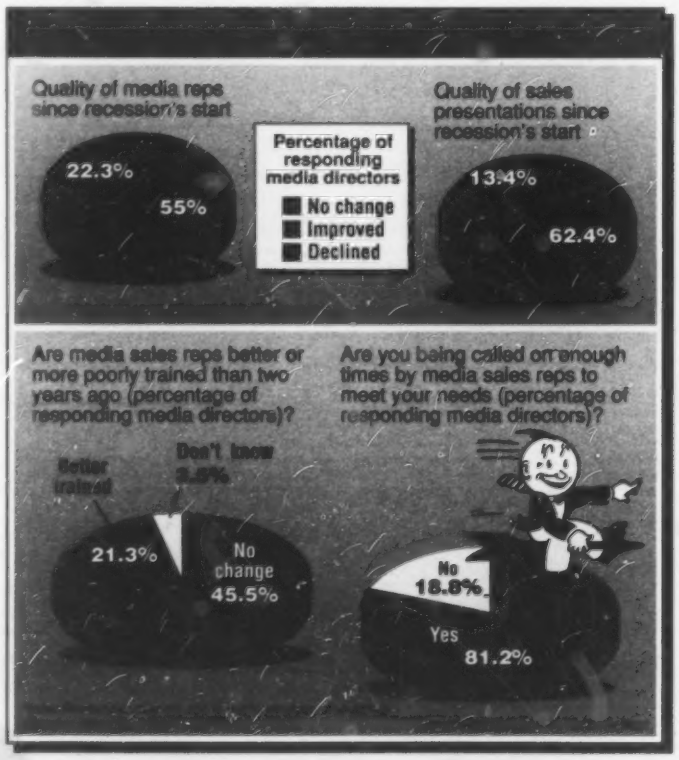
"I think you need the presence in the field, so for us to cut further would be overall more damaging."

But Mr. Witschi says he thinks some of the mass-circulation magazines may have entered the recession with some fat on their staffs.

Facing greater pressure on profitability, Messrs. Seabolt and Schweitzer say the sales forces at *Time* and CBS have been trimmed somewhat since the recession began.

However, USA Network hasn't cut its sales force.

"We feel we've got to give coverage to those accounts," Mr. Silvestri says. "In a tough economy, you need as many face-to-face calls as you can. You've got to keep your people in front of the advertiser and at the agency telling your story." □


Quality of media reps since recession's start
22.3%
55%
Percentage of responding media directors
No change
Improved
Declined
Quality of sales presentations since recession's start
13.4%
62.4%
Are media sales reps better or more poorly trained than two years ago (percentage of responding media directors)?
Better trained
Don't know 3.8%
21.3%
No change 45.5%
Are you being called on enough times by media sales reps to meet your needs (percentage of responding media directors)?
No 18.8%
Yes 81.2%

Doer's profile

Name: Rich Wilks

Title, agency: media planner, Saatchi & Saatchi DFS/Pacific, Los Angeles

Years in current post: 1

Years in media department: 2

When did you first start reading the newspaper? Probably when I was about 13. I've never been that much into reading the newspaper; I've always been a TV person.

What newspapers do you read for world events, news? The *L.A. Times* sometimes; occasionally *The Wall Street Journal.*

What was your first magazine subscription? I think it was *Rolling Stone.* I was about 15; I think there was some special deal offered in school.

What magazines do you read for pleasure now? *Rolling Stone*; I also read *The Atlantic, Details* and *Vanity Fair.*

What were your favorite TV shows as a kid? "Emergency," "The Disney Sunday Movie." I also remember watching "M*A*S*H" a lot.

What cancellation of a broadcast TV show saddened you? "Thirtysomething" and "Twin Peaks." Basically, it's all the good TV.

What are your favorite TV shows now? "Saturday Night Live" [and] "In Living Color." They're higher-quality shows than the average sitcom with a laugh track. They make you think a little bit.

What show captured your fancy when you first got cable? I've always watched MTV and really like it. I watched E! Entertainment Television. [It's] pretty fun. I also watch "Headline News"; it's nice to . . . get all the basics.

What do you feel is the hottest cable show or network now? I'd say MTV still is hot.

What type of radio did you listen to as a kid? I always listened to the closest thing I could get to alternative radio. I grew up in Sacramento and would tune in San Francisco or the nearby college station.

What type of radio do you listen to now? I still listen to alternative radio, mostly KROQ in L.A. They've got good music and a good variety of music.

What childhood movie influenced your life? "Ordinary People." It made me realize that everybody has something going on in their life and you don't always see the problems on the surface.

What's the last good movie you saw? "Jesus of Montreal." It was different, very thought-provoking.

What actor would you want to play your life story? I would want Kiefer Sutherland because he's interesting looking and a very honest and open sort of personality.

—Melanie Rigney

Magazine reps' star shines

Broadcast reps 'loud and noisy'

By Julie Stoenhuysen

If media buyers see magazine sales reps as the stars of the media sales biz, it should come as no surprise.

Unlike many other forms of media, magazine reps have to justify the buy from start to finish, buyers say.

Magazine sales reps' high standing among media buyers is uncontroverted.

Nearly 70% of media directors surveyed in a recent *Advertising Age*/Beta Research Corp. poll say consumer and trade magazines have the highest quality sales reps. Consumer magazines garnered 41.1% of responses as the No. 1 medium for sales quality, while trade book reps received 27.2% of the votes.

But it's the nature of the medium, not the reps themselves, that tips the scale in magazine reps' favor, media watchers say.

"Print people are kind of unique on the landscape of media reps," says Timothy McInerney, senior associate at McNamee Consulting Co., a magazine consultancy.

"Their properties have not been 'commoditized' as have TV and radio. They've had to rationalize their more discrete, less-than-mass audiences.

"I don't think they're any more professional. I just think the circumstances intrinsic to media create the differences," he says.

But some of those differences are worth noting.

"Our [magazine] reps don't like to be in the same waiting room as [broadcast] reps," says Paul DuCharme, VP-director of print media at Grey Advertising, New York, whose department shares a floor with the agency's broadcast buying group. "[Broadcast reps are] loud and noisy and dress like they just got back from California.

"Our [print] reps have to have an appointment. A broadcast rep gets in for one person and he just goes up and down the corridor," he says.

Nancy Smith, senior VP-director of media services at Young & Rubicam, New York, attributes differences in media sellers' approach to the way the two media are sold.

"If you look at the broadcast buying end, the sellers are very much oriented toward negotiating with a very heavy dose of servicing and stewardship," she says.

"In the print medium, the orientation is very much upfront, before the buy is made. And it's selling: selling the medium, the market niche and the title."

An emphasis on selling has resulted in some pretty rigorous standards for print reps.

At James G. Elliott Co., a Los Angeles-based magazine rep company, salesmen are equipped with pagers, cellular phones and laptop computers so they can be reached at all times, says President Jim Elliott.

Client calls are supposed to be returned within one hour and sales presentations are videotaped and critiqued by an acting coach.

Still, with the recession lingering and media properties proliferating, magazine reps find themselves engaged in a battle for pages that has forced many to hone their presentation skills and re-evaluate their approach.

"You're starting to see more inventive, more creative, more resourceful skills being brought to the party. [Reps] are selling a media company's resources rather than just the title," says Ms. Smith, pointing to the prevalence of value-added packages, event marketing and cross-media deals.

> "Our magazine reps don't like to be in the same waiting room as broadcast reps."

Sales pitches, at least among magazine reps, also have become more targeted, Ms. Smith says.

"[Magazine] salespeople will try and learn about the clients' business and marketing before they call. And they tailor their pitch to that."

In fact, some magazine companies are becoming so adept at targeting that they're tailoring the sales pitch to the person they're calling on, Ms. Smith says. She recalls one pitch from a salesman that was targeted to a media buyer's known preconceptions about the category.

"It was in the competitive newsweekly category where it's hard for everyone to see the differences from one magazine to another. A very talented, creative salesperson knew of a buyer's [perception that the titles were all alike] and built a very targeted discussion to that individual.

"He made the sale," she says.

Tough times also have required a bottom-line emphasis from magazine sellers, says John Meskil, exec VP-media at Warwick Baker & Fiore, New York.

"I think they've gotten a little more direct in terms of what it takes to get the busi-

(Continued on Page S-10)

Let's make a deal

'Area of negotiated rates has changed dramatically' as publishers appear to soften on off-card deals

By Scott Donaton

Rate negotiation, a non-issue for most media, remains a hot topic in the magazine industry.

But publishers' resistance is crumbling, media buyers say, and price is now just one element of a more complex negotiating process.

Group buys, custom publishing, on-card or structured discounts, added-value merchandising and positioning: These are the tools sellers of print space and broadcast time are using to ease growing rate pressures and preserve profit margins.

Many media sellers outwardly deny—but privately concede—negotiation has become a way of life. An *Advertising Age*/Beta Research Corp. survey of more than 200 media buyers verifies this shift.

Fully 44% of buyers say just 20% to 59% of all media buys are made at published or stated rates. Only 5.4% of those polled say all media buys are made at published prices.

While 29.7% of the buyers surveyed say discounts most often take the form of off-the-rate-card concessions, 48% cite frequency discounts, 16.3% name added-value merchandising and 10.4% say elimination of additional fees such as bleed charges for color print ads are used as concessions.

"The whole area of negotiated rates has changed dramatically. It's become part and parcel of added-value and integrated media programs," says Roberta Garfinkle, VP-director of print media at McCann-Erickson Worldwide, New York.

Rate negotiation is a common practice in the TV and radio industries, where formal rate cards don't exist and prices are determined by supply and demand.

The newspaper and Yellow Pages businesses have yet to feel strong rate pressure from agency buyers, a luxury they're not expected to enjoy for long.

"Rate negotiation is not as widespread in newspapers as it is in broadcast or magazines, but I think it's something that's going to happen," says Jack Cohen, director of print/outdoor media buying for DDB Needham Worldwide.

The magazine industry remains a battleground where publishers still refer to rate cards as "sacred" and warn that rate "compromises" threaten their existence, a stance that irks some on the buyers' side.

"I have very little sympathy for [publishers'] point of view," says Backer Spielvogel Bates Vice Chairman Stephen Leff, who oversees the media department.

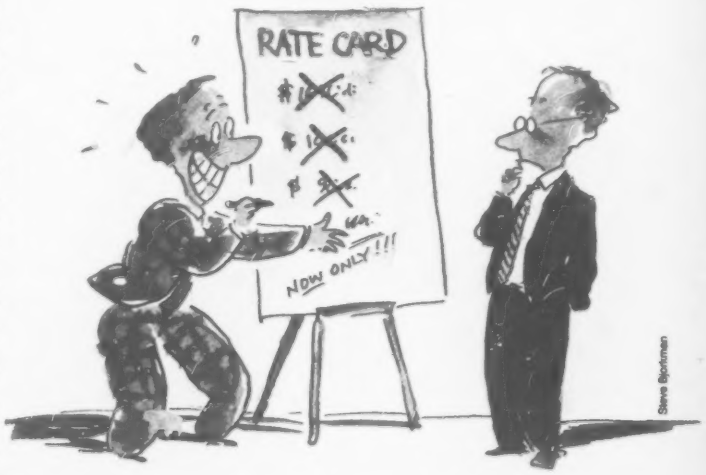
"Why should magazines be any different from the broadcast industry? This is a competitive world and advertisers should benefit from that competition."

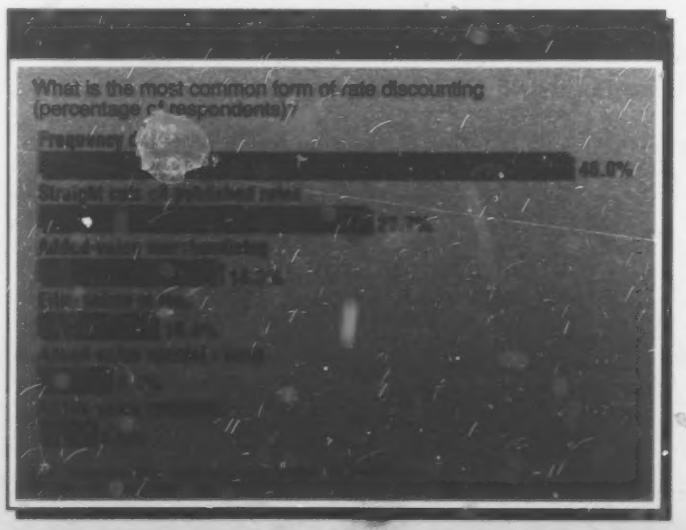
"We don't want to put anybody out of business," says Peg Ianacone, manager of print media at Grey Advertising. But rate negotiation "is a non-issue," she says. "It's a way of life."

Still, publishers and their supporters say the medium isn't ready to cave in to TV-style negotiations.

"The great progress is over" for media buyers who gained rate concessions from publishers in recent years, says David Orlow, senior associate at Periodical Studies Service, a magazine consultancy. "Continued pressure will not gain advertisers much more in incremental concessions. There are lines that have been drawn."

"As the weaker magazines fold and we come out of the recession, the stronger books that can provide a good audience and be effective can hold the line on rates," claims Steven T. Florio, president-ceo of *The New Yorker*. "Quality of editorial will become important again."





Many agency executives beg to differ.

Mr. Leff says he views published rates as "an asking price," a statement echoed by several media buyers. Most print buyers say despite their public stance, publishers now accept negotiation of price and other elements as a normal aspect of doing business.

Publishers are a lot more savvy, they say, and know exactly how far off the card they can go without destroying profit margins and what tools to use to turn the focus away from price.

"Negotiation as a term for print buying is outdated," Grey's Ms. Ianacone says. "We don't negotiate. It's about packaging.

"Most of the magazines now know what their bottom line is. They know they're going to give you 50% off before you pick up the phone," she says.

In fact, buyers believe some publishers artificially inflate ad rates to allow room for negotiation, a charge publishers deny.

McCann-Erickson's Ms. Garfinkle says she's suspicious of magazines that drastically reduce rates and asks publishers, "Do you mean to tell me you can still take some profit out of this when you're giving 40% off? Were you overcharging all along?"

Publishers also are sidestepping off-card deals by creating new formal discounts and ornate rate structures. In addition to frequency discounts, many offer discounts to advertisers in specific categories, introductory rates, renewal rates and price breaks to advertisers who make long-term or upfront commitments.

Even Conde Nast Publications, the only major magazine group

(Continued on Page S-10)

Doer's profile

Name: Kelly Clark

Title, agency: media supervisor, J. Walter Thompson USA, New York

Years in current post: 1¼

Years in media department: 3

When did you first start reading the newspaper? Eighth grade. I was playing a lot of sports and went to the sports section.

What newspapers do you read for world events, news? *The Wall Street Journal*. It provides the best combination of world events coverage, general news and business information that's important to me. I also read *The New York Times*.

What was your first magazine subscription? A charter subscription to *National Geographic World*.

What magazines do you read for pleasure now? *National Geographic*—it was a natural extension from *National Geographic World*—*Smithsonian, The Economist, The New Republic*.

What were your favorite TV shows as a kid? "M*A*S*H," "WKRP in Cincinnati," "Land of the Lost." Also, I was a big "Love Boat" fan.

What cancellation of a broadcast TV show saddened you? "Bosom Buddies" was a great show and never got a chance to prove itself over the long haul.

What are your favorite TV shows now? "Cheers," "Murphy Brown," "L.A. Law," sports.

What show captured your fancy when you first got cable? ESPN and regional sports, like Madison Square Garden Network.

What do you feel is the hottest cable show now? Sports is the hottest now.

What type of radio did you listen to as a kid? Probably most often album-oriented rock, classic rock.

What type of radio do you listen to now? I listen to classical, news, sports. I keep classical on at the office all day. I'll listen to news in the morning or sports when there's a game on.

What childhood movie influenced your life? I couldn't come up with one. "Willy Wonka and the Chocolate Factory" was my favorite, though.

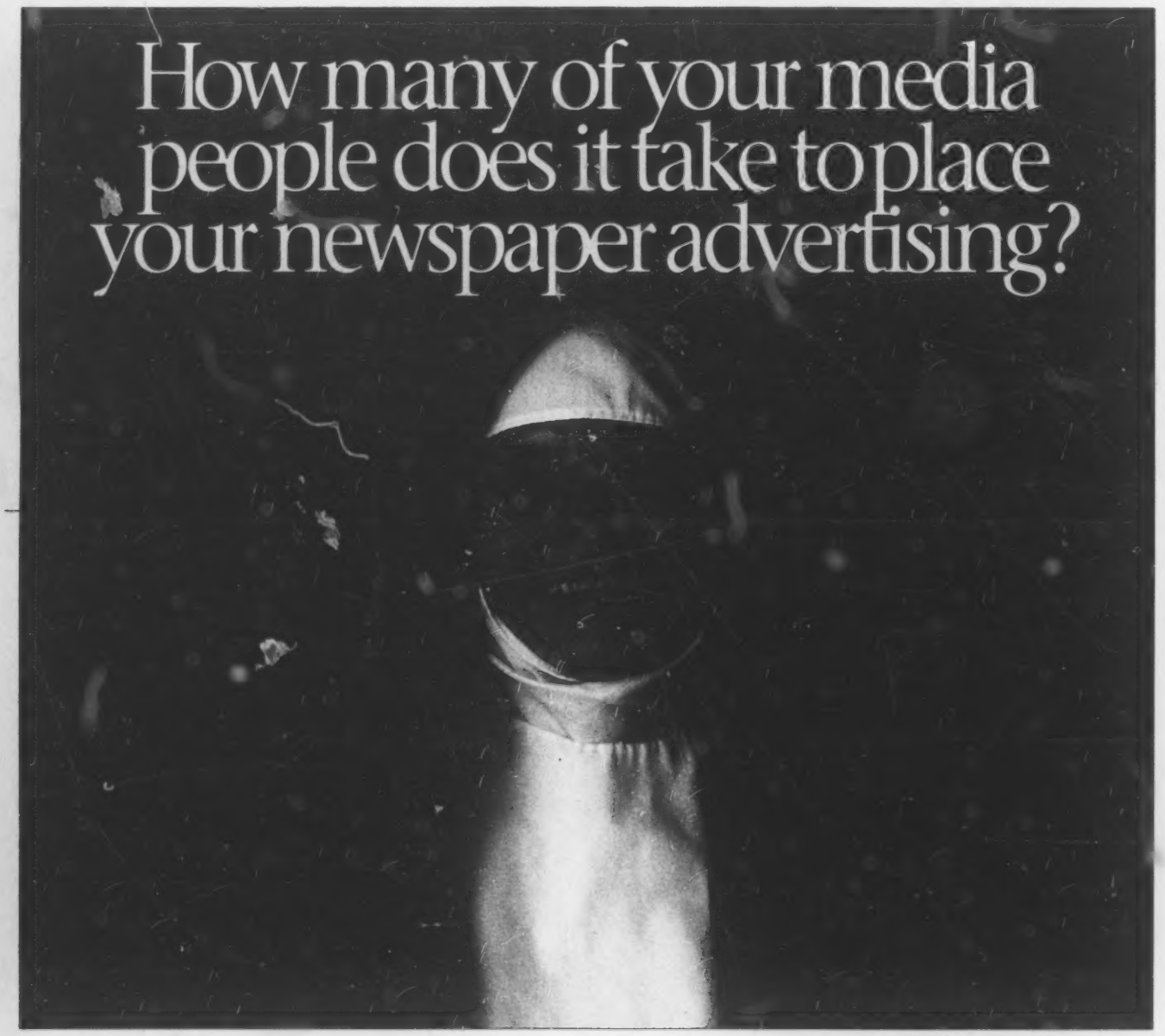
What's the last good movie you saw? "Goodfellas." I just rented it. In a theater, "Henry V."

What actor would you want to play your life story? My life story's so boring, I don't know if I could find someone to do it.

Brian Dennehy is a great character actor. If they did a movie on my life story they'd have to pick a character actor. He's a good Irish actor who can do most anything he needs to do.

—Debra Aho

How many of your media people does it take to place your newspaper advertising?



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Rates

(Continued from Page S-7)

media buyers credit with not breaking its rate card, now offers on-card discounts, such as cuts for advertisers who buy space in more than one of its magazines.

The deals being crafted by Time Warner and nearly every other publishing house are another way to avoid the conflict over negotiated rates. Such customized deals, which often include single-sponsor issues and other value-added elements, by their nature must be negotiated.

Strategic packages, such as the $40 million deal Time Warner signed with Chrysler Corp. last November, have been applauded by industry observers as the wave of the future.

But those same industry observers wonder whether some package buys, such as the alliance formed by *Newsweek* and Times Mirror Magazines, are merely ways to disguise discounts.

American Express Publishing Corp. President Thomas Ryder says most group and multimedia buys are short-term attempts by publishers to build share during the recession and predicts they will go out of fashion when the economy rebounds.

Such deals are "founded on a double negative," he says. "The publisher tries to get the advertiser to buy something he doesn't want by providing a discount on something the publisher doesn't need to discount."

Regardless of the form it takes, rate cutting is a tough habit to break. It's "like giving candy to a baby—it's hard to take it back," says John Beni, senior VP-general manager of Cahners Publishing Co.'s Consumer/Entertainment Publishing Group.

"I don't think if someone gave X% discount two years ago that it's easy or possible to take it back today." As a result, he says, "People are looking at value-added more. They're saying, 'Let me find out if I can give this guy something that has high value to him but significantly lower cost to me.' They're being more creative in how they package the deal." □

Reps

(Continued from Page S-7)

ness," he says.

"Before the recession, most salespeople tended not to knock the competition.

"Now they're asking the agency and client what's necessary to get the business—cutting rates, merchandising, value-added, things of that nature."

As the media marketplace continues to change, the challenges to media reps will mount, buyers say. Already, the slump has taken its toll.

"I think when you start not selling you begin to become less effective in the whole process of selling," Mr. McInerney says. As a result, he says, morale drops, leading many experienced reps to become disenchanted with the business.

"Some very talented people have left the industry and a lot more are glancing at the exits," he says.

"Selling's hard now," Ms. Smith adds.

"You don't just walk away with a piece of paper saying, 'Done. I'm on the train.' " □

TV, radio stations caught in a soft spot

Price-cutting spiral keeps up the pressure

By Joe Mandese

In even the best of times, spot broadcast is bought primarily for its flexibility: short lead times, geographic options, range of programming and audience niches and, most important, highly negotiable rates.

In these worst of times, TV and radio stations are bending over backward to accommodate advertisers, particularly on price.

Asked which medium is most willing to negotiate prices off established rates, an *Advertising Age*/Beta Research Corp. survey of media buyers found that 45.5% consider spot TV and 35.1% spot radio to be the most negotiable of 13 media categories.

Spot sellers counter that such statistics are more perception than reality, noting that network TV—with scatter discounts as high as 50% and upfront rates as much as 15% below last year's deals—is probably the bargain medium of the moment.

However, they concede the negotiability of other media has put further pressure on spot broadcast rates, particularly for TV.

"The networks are discounting themselves terribly and that's a detriment to spot, but we're not discounting our rates by 50%," says Raymond Johns, exec VP-chief operating officer of spot TV sales rep Seltel Inc.

While spot broadcast normally is bought for different strategic reasons than network, many national brands can be persuaded to shift spot budgets into network if the price differential grows very great. With the networks discounting their scatter rates as much as 50%, spot buyers say that's becoming all too common.

"Historically, network TV would get tight and buyers would re-express those dollars into local television. But for the first time in as long as I can remember, we are seeing just the opposite," says Howard Nass, corporate director of spot broadcast, Foote, Cone & Belding Communications, New York. "It's going the other way," he adds. "Network is soft and people are capitalizing on it."

Bill Breda, senior VP-general sales manager of spot TV sales rep Blair Television, acknowledges the trend, noting that Taco Bell, via agency FCB, San Francisco, recently shifted its spot TV budget into network.

However, he predicts the fast-food chain likely will come back to spot because of its "flexibility at the local level.

"They need it for their local price and item changes," he says.

Marlene Chautin, senior VP-associate media director of Young & Rubicam, New York, notes network discounts are more of a market correction from years of high cost-per-thousand increases, whereas spot has been flat for several years.

"The problem is that stations' revenues have not been growing for a couple of years," she says. "So, if they have a 2% increase, that's really a negative."

To what degree spot broadcasters will discount depends largely on the strength of a station and the health of its local economy.

"Where the basement is at depends on the condition of the local marketplace," says Tom Olson, exec VP of Katz Television Group. "In the markets where local business is healthy, stations are more reluctant to do whatever they have to do to get the business."

Unfortunately, the number of markets with healthy economies is waning. Northeastern and Southeastern markets are plagued by recession. Although the Southwest appears to be coming back from an abysmal downturn, even West Coast markets are beginning to feel the pinch.

"Los Angeles . . . has become much more negotiable. And that's a market that had literally been sold out for several years," Ms. Chautin says.

As a result, Seltel's Mr. Johns notes, even top-tier stations that had previously been intransigent are "now playing the flexible game. They're doing it for accounts that they've never fought for before."

He says these include accounts that were traditionally the sacred cows of the weaker stations and the independents—direct response advertisers, 900 numbers, infomercials and big bottom-line-oriented accounts such as Procter & Gamble Co., which sales reps say gravitates toward tonnage spot buys at the more flexible stations.

But buyers say all stations—big and small—are willing to provide attractive rates for advertisers willing to commit to long-term deals.

Laura Silton, senior VP-director of local broadcast at McCann-Erickson, says this began during the Persian Gulf War but has continued because "clients are not letting go of their budgets until the last possible moment."

To induce their business, she says stations are willing to provide rate discounts of as much as 5% for so-called "upfront" deals.

As a result, Ms. Silton says an "artificially tight market" has been created for short-term advertisers who need to get onto certain stations at the last minute. She says those buyers have to pay as much as 50% over "upfront" rates to get on the air.

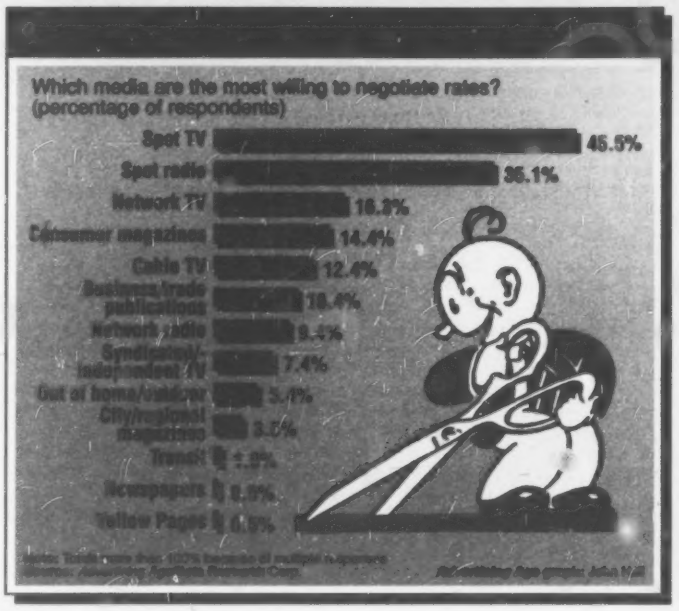
"If you've got a six-week lead time, you can make very good deals. But the short-flight advertiser with not much lead time is not getting good rates," she says.

As a result, stations have been trading off long-term revenues for short-term gains.

"Stations are trying to get as much money out of the short-term advertiser as they can to try and get closer to their budget projections," Ms. Silton says.

At the same time, stations are interested in exchanging some flexibility for commitments from advertisers in these unstable times.

"I don't think too many stations are going to berate themselves for taking those long-term deals," Katz' Mr. Olson says. "There are too many uncertainties in this marketplace, and they would rather have a bird in the hand." □



Non-negotiable

Hard line on rates costing newspapers

By Christy Fisher

To attract national advertisers, newspapers are trying to become more user-friendly.

To succeed, media buyers say the papers will need to become more budget-friendly as well.

The newspaper industry, through groups such as the American Newspaper Publishers Association and the Newspaper Advertising Bureau, is pushing new programs, such as one-order/one-bill and improved positioning, to eliminate obstacles to multiple-paper buys.

The industry, via ad sales network Newspapers First, plans to have a sophisticated one-order/one-bill system in place in 1992. The computerized ad placement service reportedly will handle all aspects of a multimarket buy and create a single invoice.

It's the latest in a long line of industry innovations designed to attract national advertisers.

"We're working with advertisers and finding out what [their] needs are," says Cathie Black, ANPA's newly appointed president-ceo. "It's no longer, 'This is what we have and this is what you have to buy,' " she says.

While media buyers applaud the industry's focus on better serving national advertisers' needs, they say one-order/one-bill is no panacea.

National newspaper rates have to be competitive with those of other media—and media buyers say that means newspapers have to be willing to go off their rate cards, which they are loath to do.

In the *Advertising Age*/Beta Research Corp. survey, respondents ranked newspapers as least willing of all media to negotiate rates.

"Newspapers are getting less and less efficient [as an ad medium]," says Jack Cohen, VP-director of print & outdoor media buying for DDB Needham Worldwide, New York. "Circulation has remained flat, but rates have increased 6% to 7% a year."

Bob Zach, senior VP-media director at Chiat/Day/Mojo, New York, puts it a bit more strongly.

"If newspapers have twice the cost per thousand of TV or radio, I'll be damned if I'll put my money there," he says.

Agency media buyers are particularly upset with the 60% premium national advertisers pay over local advertisers, who get more favorable positioning.

"[The rate] differential is absurd—and it keeps getting worse," says Michael Drexler, exec VP-worldwide media director at Bozell, New York.

The issue overshadows other impediments to placing national newspaper ads, buyers say.

"Even if there is one-order/one-bill, the client is still looking for more bang for the buck," Mr. Cohen says. "[Clients] would still be complaining of high costs and they would still fight national rates being so much higher than [local] retail."

Media buyers also question the relative appeal of one-order/one-bill as an inducement to national advertisers.

"Positioning and rates are more important in my mind than ease of purchase," Mr. Zach says.

But price discounts are a sticking point with newspapers.

"One of the problems with pricing is it's against the law to try to coordinate," says Jerry Tilis, VP-marketing for Knight-Ridder. "I can't talk to another newspaper company about pricing."

Len Forman, the ad bureau's president, says when the one-order/one-bill system comes on line, "costs will go down dramatically.

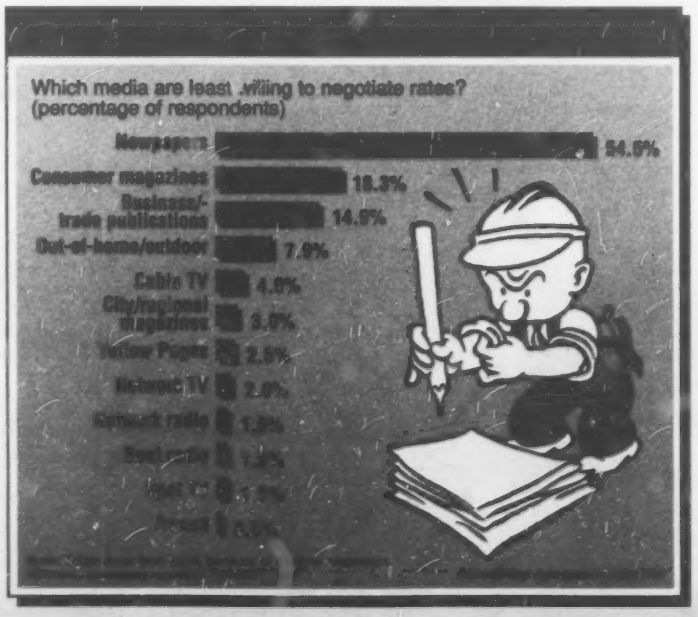
"There will be no discount in the formal sense," he says. "But the network will have considerable savings for advertisers in the ease of making a buy."

Neither have advertisers' complaints about rates fallen on deaf ears, he says. Individual newspapers have created special rates in certain categories, such as beer and package goods, to try to encourage more national advertising. In addition, most national buys placed through the ad bureau's National Newspaper Network came through with CPMs that were competitive with other media because advertisers bought multiple insertions, he says.

Still, "One-order/one-bill has to be done. . . . That's a prerequisite," says Bozell's Mr. Drexler. "But newspapers have to go beyond that to be successful in attracting national advertisers.

"The newspaper industry has to think of itself as a single medium, not 1,600 different media," he says.

"The newspaper industry has to understand who its competitors are—TV, radio, cable, outdoor—and what kind of operating environment it is in. [That] environment is very competitive," Mr. Drexler says. □



Doer's profile

Name: Eric Andrews

Title, agency: assistant media director, D'Arcy Masius Benton & Bowles, New York

Years in current post: 2

Years in media department: 5

When did you first start reading the newspaper? As a senior at Hobart College in Geneva, N.Y. I started thinking about careers.

What newspapers do you read for world events, news? *The New York Times*. I read the living and home sections for pleasure.

What was your first magazine subscription? *Boys' Life*. And, believe it or not, "Ripley's Believe It or Not." I was probably 10 or 11. It [had] lots of outdoor stories.

What magazines do you read for pleasure now? *Bicycling* and *Bicycle Guide*. Those are the only two I read regularly.

Because I get a lot of magazines at work I also look through *Entertainment Weekly* and *People* on occasion.

What were your favorite TV shows as a kid? "Lost in Space" and "The Brady Bunch." I remember a gang of us kids all going in on Friday nights to watch "The Brady Bunch"—though not because of the Brady girls. I was more interested in kickball.

What cancellation of a broadcast TV show saddened you? I honestly don't remember one.

What are your favorite TV shows now? "Cheers." It's great comedy. Actually, I watch fairly little TV. I have a pretty long commute.

My wife tapes "General Hospital" so we watch that over dinner. I must admit I've been sucked in. Now I yell at the TV set and berate the characters.

What show or network captured your fancy when you first got cable? ESPN. It was nice to get all of the sports [programming].

What do you feel is the hottest cable show or network now? One that's been getting a lot of press is "MTV Unplugged." It's where they get various artists to come in and do acoustical sets. It's gotten quite a following. They're releasing some of the shows as CDs.

What type of radio did you listen to as a kid? I guess it was Top 40. I had a transistor radio with the little earplug. I think it was WABC. That was the station everybody was listening to.

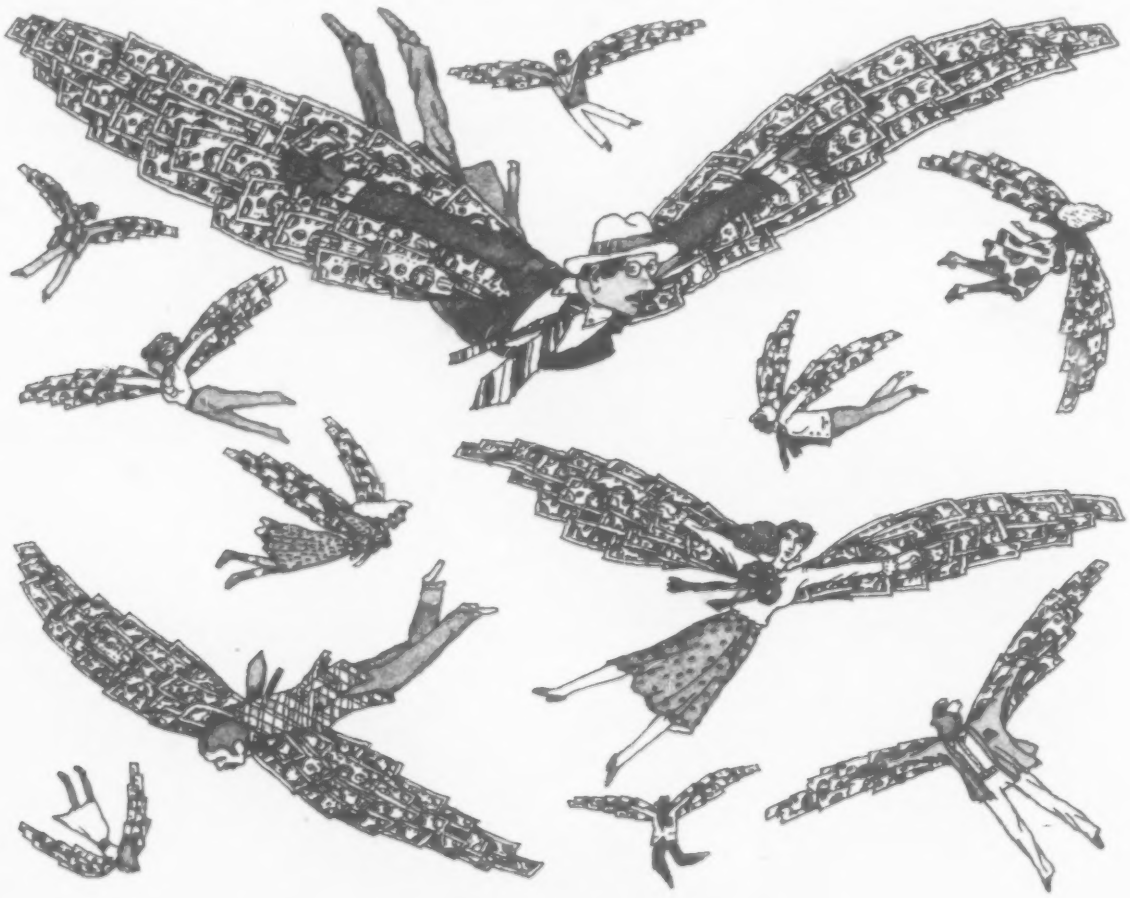
What type do you listen to now? I listen primarily to new wave: Talking Heads, Elvis Costello—that kind of thing. I also started to listen to public radio during the Iran–contra hearings at work. But I moved offices and I can't get it [there].

What childhood movie influenced your life? That's tough. The first movie I saw was Disney's "Search for the Castaways." I thought it was great.

What's the last good movie you saw? I hardly ever go to movies. But I guess I would have to say "Driving Miss Daisy."

What actor would you want to play your life story? Tom Hanks. He's got a great sense of humor. And he's [illegible]—taller than I am. It would end with me running the agency and living happily ever after. They'd discover how brilliant I was and how I'd hidden my talents away.

—Julie Steenhuysen



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Doer's profile

Name: Tom Edwards

Title, agency: budget coordinator/motor sports media planner, McCann-Erickson Worldwide, Troy, Mich.

Years in current post: 1

Years in media department: 2½

When did you first start reading the newspaper? In high school. My favorite sections were the automotive news and business sections.

What newspapers do you read for world events, news? *The Wall Street Journal, USA Today, Detroit Free Press* and *The Detroit News*.

What was your first magazine subscription? Probably *Field & Stream*. I'm a fisherman [and like] boating and sailing and things like that.

What magazines do you read for pleasure now? I enjoy *AutoWeek* [and] the outdoors-type magazines—*Field & Stream, Sports Afield*. Now I'm bombarded by magazines at work. . . . I still read these for pleasure, but it's hard to diffentiate between work and others now. I look at newsweeklies, too.

What were your favorite TV shows as a kid? "M*A*S*H," "All in the Family" and, as I grew a little older, I enjoyed news-oriented programs like "60 Minutes." The shows were very timely in teaching us values, . . . bringing up problems like race and religion. Especially "All in the Family"—it was a very daring show.

What cancellation of a broadcast TV show saddened you? "The Bob Newhart Show." Both the first one, where he was a psychiatrist, and "Newhart," where he ran the inn, but it applies more to the first one. It was one of the last of the good old-time comedy shows. Now there's a different kind of humor on TV. ["The Bob Newhart Show"] was more quality humor. Viewers were more demanding back then. There's a different kind of viewer now.

What are your favorite TV shows now? I'll tell you, but you might not want to print it: "Married . . . With Children." I still enjoy "60 Minutes," "20/20" and "Prime-Time [Live]." News shows because they are straightforward and deal with current issues. "Married . . . With Children" because it doesn't hold back. I also

like "Cheers" and "Arsenio."

What show captured your fancy when you first got cable? CNN's "Headline News." In general, I think cable allows you to have more variety.

What do you feel is the hottest cable show now? I don't have a particular show. . . . In general, I enjoy catching the news, . . . sporting events like the NASCAR updates and PGA golf updates on ESPN.

What type of radio did you listen to as a kid? Top 40, soft-rock-type music. Also, with my family, I listened to talk radio. And always sports programming, with the Detroit Tigers.

What type do you listen to now? I still listen to sports on radio; [I] also enjoy all-news stations and news updates. I get a lot of my news from radio. With a busier schedule, I have to get it in the most quick and compact form possible; at times you need to go to newsweeklies, but other times you need it as quick as possible.

What childhood movie influenced your life? "To Sir With Love" with Sidney Poitier. It brought out the interaction between people and races and taught respect. I also really liked "The Godfather" and "The Sting."

What's the last good movie you saw? The last good movie I saw was "Silence of the Lambs." I enjoyed it because it was a thriller and it was well done.

It's hard to get a decent movie nowadays. I generally enjoy action-type movies, but not necessarily thrillers. I'm not a fan of "Friday the 13th"-type movies, but this was a thriller and a "good" movie.

What actor would you want to play your life story? Alan Alda. In "M*A*S*H," his character, Hawkeye, was always very opinionated. He takes a stand and is not so worried about the end, but rather the means.

—Therese Kauchak

Doer's profile

Name: Christine Browning

Title, agency: local broadcast assistant supervisor, Ogilvy & Mather, New York

Years in current post: 1

Years in media department: 1

When did you first start reading the newspaper? Eighth grade. I had a history teacher who required us to bring in a current events article . . . and talk about it.

What newspapers do you read for world events, news? *The New York Times*, because it's the most accessible and it covers everything.

What was your first magazine subscription? It's tough to remember that far back. It was probably *Reader's Digest*. It had great short stories in it.

What magazines do you read for pleasure now? I read *Shape* and *Bon Appetit*, to keep up with the latest on health and fitness [and] for the latest tips on food and wine.

What were your favorite TV shows as a kid? "Mary Tyler Moore" and "That Girl." I think it's because both shows featured career women, and that appealed to me.

What cancellation of a broadcast TV show saddened you? I was upset when they canceled "China Beach," but now it's back. It's a show that offers a unique perspective of the Vietnam War. The war took place when I was very young, so I never really understood it.

What are your favorite TV shows now? "Northern Exposure." It has a unique story line and unique characters. I also like "Doogie Howser, M.D." because it's a youthful show, but every episode ends with a moral or recap that the producers want you to take away with you.

What show or network captured your fancy when you first got cable? I started watching E! Entertainment Television because it provided light news and an update of what's going on in the film industry.

What do you feel is the hottest cable show now? I don't think there's one specific show, but sports programming in general on ESPN is popular.

What type of radio did you listen to as a kid? Top 40.

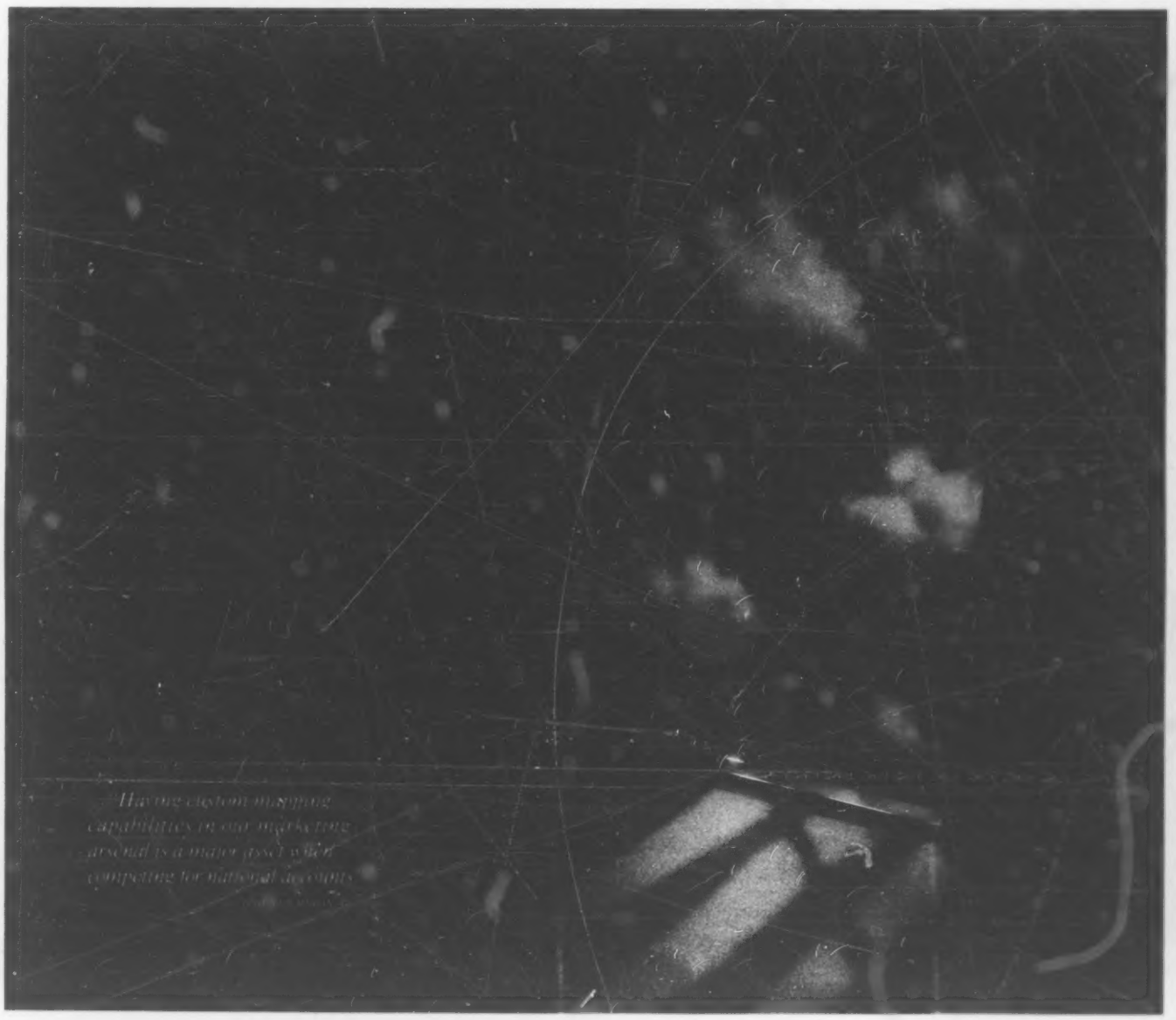
What type of radio do you listen to now? Now I listen to progressive jazz.

What childhood movie influenced your life? My all-time favorite movie is "It's a Wonderful Life" because it proved that nice guys don't have to finish last.

What's the last good movie you saw? "Silence of the Lambs," because it was the first movie I had seen in a long time that created a suspenseful mood from the very first scene and sustained it throughout the movie.

What actress would you want to play your life story? Demi Moore. I think she's very versatile as an actress. I can picture her in a business suit, but on the other side I see her as having a lot of fun.

—Debra Aho



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THE POWER IS ON

Multimedia 'multi-mania'

But shops argue whether deals force media department restructuring

By Joseph M. Winski

Soon after Time Inc. and Warner Communications announced plans to merge in 1989, Bozell swung into action.

The ad agency put together a team of media, marketing, direct marketing, creative and public relations staffers to analyze the media properties involved.

By the time the merger was formally completed, Bozell had a plan ready to take to Time Warner. It was refined and then presented to the client, Chrysler Corp.

The result was a roughly $50 million Chrysler "Rediscover America" campaign late last year using Time Warner magazines, direct mail, videocassettes, audiocassettes and even a book, *Rediscovering America's Roads*, published by a Time Warner subsidiary and given to people who test-drive Chrysler products.

This was the "big bang" in what some are calling the hottest trend in advertising-multimedia deals, in which an advertiser buys a package of different media properties belonging to one owner or to an alliance of media companies.

Time Warner has inked even bigger deals since the Chrysler program: an $80 million campaign with General Motors Corp. and a reported $100 million package with Mazda Motor of America. Not to be outdone by Time Warner, media properties such as NBC, *Parade*, *TV Guide*, and *USA Today* are banding together—offering a 1992 Summer Olympics package—and several magazines and cable networks also have joined forces.

Bozell, meanwhile, is wrapping up a multimedia deal for Chrysler with Hearst Corp. that would include Hearst's magazines, cable networks, newspapers and other media properties.

"Multimedia integration is the wave of the future," says Michael Drexler, exec VP-worldwide media director at Bozell, New York, and a principal architect of the Chrysler/Time Warner deal.

Respondents to an *Advertising Age*/Beta Research Corp. survey of media department executives seem to agree: 76.2% say they are interested in multimedia deals. Nearly a quarter say they already have participated in them in some form.

Arnie Semsky, exec VP-media and programming services at BBDO Worldwide, New York, expects 20% of all buys to involve such multimedia deals within the next two to three years, up from his estimate of 2% today.

But agencies differ on how much they need to change to handle multimedia deals.

> "Someone must have authority to insist individual companies participate."

Mr. Drexler says they demand a significant overhaul that breaks down the walls between traditionally independent agency departments.

"We have had to, in effect, change the infrastructure," he says. "You cannot operate in the conventional agency way, where you offer a menu of diversified services and each one has to be profitable."

Equally important, Mr. Drexler says, is the adoption of a big-picture mentality.

"You have to retrain your people. They can't think like media people per se anymore. They have to think of themselves as marketing people who happen to be experts in media," he says.

Bozell has several ad hoc teams studying additional multimedia proposals. The agency also now requires every media plan to incorporate "an extended communications package" involving "components that go well beyond just the selection of traditional media," Mr. Drexler says.

Other agencies say they don't see the need for all that much change.

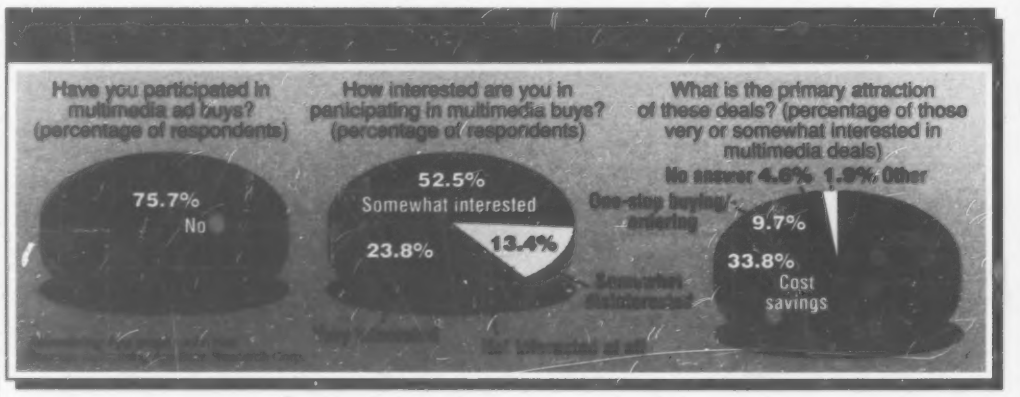
Michael White, exec VP-director, media department, DDB Needham Worldwide, Chicago, says the agency's existing "media strategist" supervising a brand simply "becomes the point person" on multimedia deals, calling on the agency's specialists in cable, magazines and other disciplines.

At Foote, Cone & Belding, New York, assembling multimedia deals has resulted in at most "a subtle adjustment," says Joseph Ostrow, exec VP-corporate media director. A senior person like himself becomes the lead person on such deals.

"So there's a different mix of people and it is really done at a higher level than a lot of media planning is done," he says.

"No sweat," says Gordon Link, exec VP-worldwide media director at McCann-Erickson Worldwide, New York, on the agency's readiness for multimedia deals. "We have the right combination of talents and insights right now."

Similarly, BBDO's Mr. Semsky


Have you participated in multimedia ad buys? (percentage of respondents)
75.7%
No
How interested are you in participating in multimedia buys? (percentage of respondents)
52.5%
Somewhat interested
23.8%
13.4%
What is the primary attraction of these deals? (percentage of those very or somewhat interested in multimedia deals)
No answer 4.6%
1.9% Other
9.7%
33.8%
Cost savings

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says, "I think the multimedia buy is really an old concept with a new focus."

Agencies do say costing out a multimedia deal is trickier. The usual cost-per-thousand approach can't measure the synergies multimedia deals supposedly offer, especially when non-conventional, unmeasured media are part of the package. The whole may indeed be greater than the sum of its parts, as multimedia-package supporters contend, but nobody as yet knows how to calculate how much greater.

If significant change must occur for multimedia deals to flourish, it is the media companies that have to make it, some agency executives contend.

They complain too many media companies are simply trying to sell what they happen to have.

"The problem we have right now, frankly, is that the sellers are trying to prepackage too much," DDB Needham's Mr. White says. "They say, 'I own this. I own that. Now you buy them together and I'll give you 5% off' or whatever.

"They're just not doing a very good job of going in and finding out what an advertiser needs and crafting something that's responsive to those needs," he says.

"There are a number of media organizations out there that are trying to position themselves as multimedia players when in reality they are nothing more than a hodgepodge of small vehicles," agrees Fred Wray, senior VP-media director at FCB, Chicago. "I see more of those than I see viable packages."

The *Advertising Age*/Beta Research study suggests media companies that rely solely on the one-

(Continued on Page S-28)

Square pegs, round holes

By Junu Bryan Kim

Cross-media deals may be the latest hot button in media departments these days, but so far, few agencies have been able to push it.

Media directors' interest in such packages is strong.

In the *Advertising Age*/Beta Research Corp. survey, 23.8% say they're very interested in joint-venture multimedia ad deals and 52.5% are somewhat interested.

Nevertheless, only 24.3% have participated in such buys. Among those who haven't, 58.2% say the reason is lack of opportunity.

At Ally & Gargano, New York, for example, packages that sellers have presented don't quite match the needs of the agency's clients, says Dawn Sibley, exec VP-director of media and communications services.

"It's not like ABC is selling with *Family Circle*," she says. She adds that the Time Warner packages include cable TV, "and we still see cable as an ancillary medium."

Some buyers say clients are leery of multimedia deals because they seem appropriate only for major advertisers, an impression fostered by publicity surrounding such deals as General Motors Corp.'s $80 million link with Time Warner.

"[The client's] reaction is, 'That's too big for me; that would take up too great a portion of my budget,' " says Norm Goldring, president-ceo, CPM Media Management, a Chicago-based media buying service.

The "too big" complaint is common among media buyers who haven't participated in such deals, the *Advertising Age*/Beta Research survey shows. In addition to lack of opportunity, 12.4% of respondents say they haven't participated in multimedia deals because the total price of the packages is too high, and another 11.1% say clients aren't interested in them.

"There are clients out there who don't want them: They're labor-intensive, and they can't be measured in the computer as well as, say, four Super Bowl minutes," says Larry Spiegel, principal at Richards Group, Dallas.

Moreover, some buyers say sellers are out of step with the smaller advertisers.

"They kind of sell the concept as being big for big people," says Kathleen Hall, senior VP-media director, Leonard Monahan Lubars & Kelly, Providence, R.I.

"Time Warner talks about the big picture but they don't give you specific ideas on how [multimedia deals] might work on a smaller level," she says. "I asked [Time Warner] how it might work for us on our level, and they were real vague." □

Instant lesson

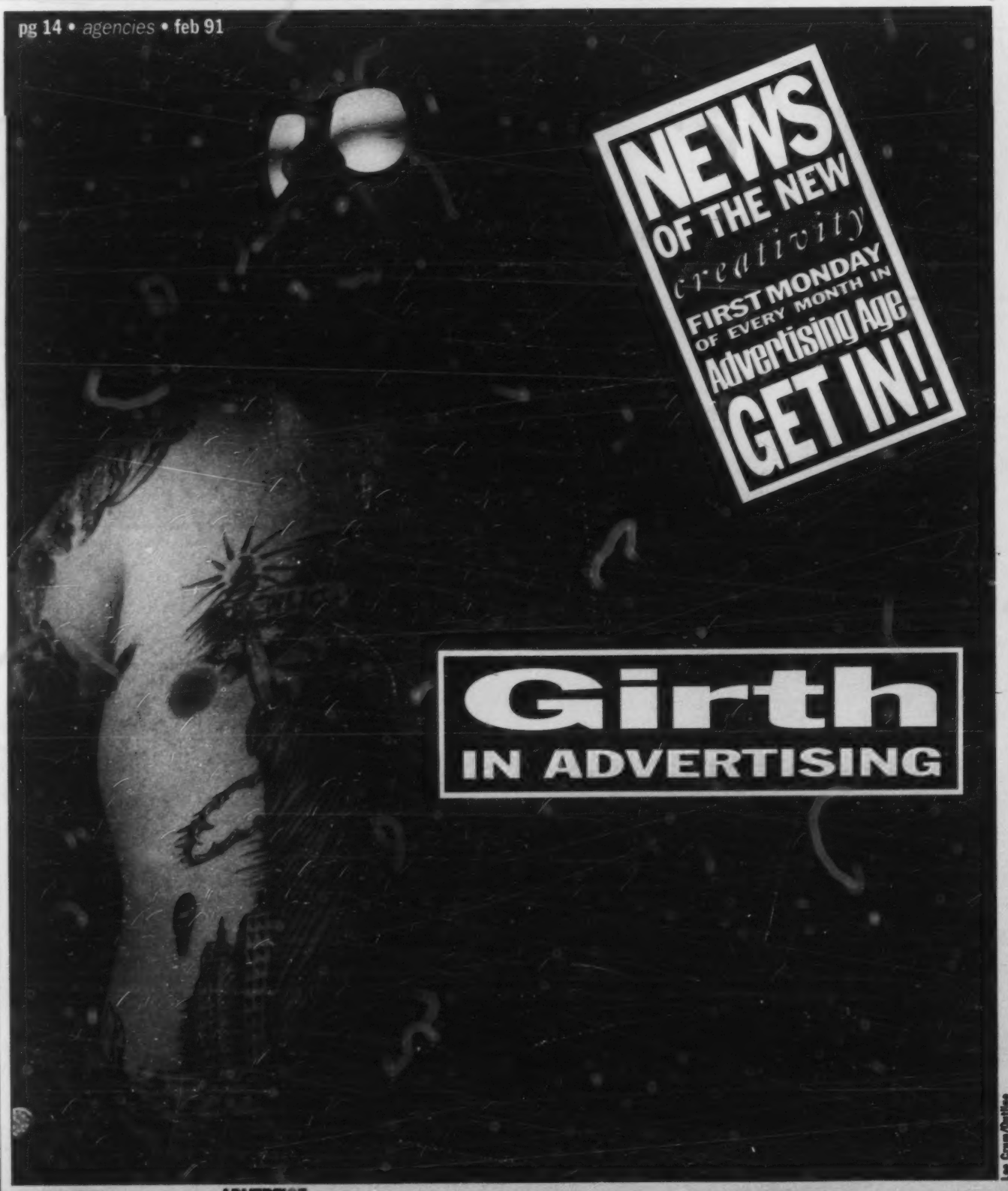
So, the idea of multimedia deals has a certain allure, a cachet, a je ne sais quoi? *Just follow these three easy guidelines and wait for the fun to begin:*

1. Beware of media companies bearing packages.
They'll try to sell you every media thing they own, cheap. If it doesn't reach the target audience by itself, it won't as part of a package either.
Bad sign: The media company person says, "We also have a TV station in Fresno."

2. Tear down the walls, forget the profit centers.
Your people really do have to work together on this. So do the folks running parts of the media company and client.
Bad sign: Brand manager says, "Whose budget does *that* come out of?"

3. Somebody's got to pull the trigger.
Multimedia deals are made by senior-level people who have the power to say yes or no.
Bad sign: Your counterparts say, simultaneously, "May I use your phone?"

—Joseph M. Winski



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Dogged determination

Ralston, cable net make 'value-added' come to life

By Alison Fahey

Cable is going to the dogs, and Ralston Purina Co. and The Family Channel are lapping it up.

What started as a routine upfront cable buy last August ended up as a comprehensive value-added package that thrust Ike, the marketer's Lucky Dog brand spokesdog, onto a million TV sets via a cameo appearance on Family Channel's "Maniac Mansion." For its part, Family Channel got an increased advertising commitment from Ralston and mentions in Ralston advertising and promotional efforts.

All in all, the nine-month process linked the marketing and promotional departments of the package-goods marketer, the cable TV network, a media buying agency and an ad agency. Here's a step-by-step look at how the elements came into play.

■ **Early August:** Ralston makes 1990-91 upfront cable buy on Family Channel for many of its brands.

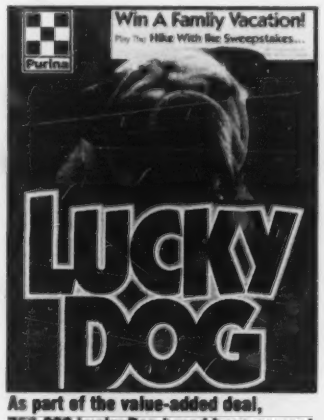
■ **Mid-August:** Family Channel and Ralston discuss value-added programs in exchange for Ralston increasing its budget.

■ **Late September:** Ralston marketing executives present Family Channel with a promotion budget for Lucky Dog and propose a plan to have spokesdog Ike stand apart in a competitive market. The channel approaches four producers of 10 of its original series to see which show would best incorporate Ike into a script.

■ **Early October:** Family Channel meets with Ralston and Advanswers, St. Louis, its media buying agency, and proposes tying in Ike with an unspecified original series along with on-air promo spots.

■ **Late October:** Channel writers and producers meet with Ralston's Lucky Dog brand managers and all agree Ike will make a cameo appearance on the sitcom "Maniac Mansion" as Ike, the Lucky Dog.

■ **Early November:** Ralston approaches Family Channel with "Hike With Ike" sweepstakes idea in which viewers call a 900 number and guess which U.S. landmark Ike is calling from after getting clues. Calls cost 90¢ per minute; the average call costs $1.80. Right answers qualify callers for the game. Ralston offers to put the logos for Family Channel and "Maniac Mansion" on 750,000 Lucky Dog bags.



As part of the value-added deal, 750,000 Lucky Dog brand bags cement the link with Family Channel.

■ **Late November:** The script of "Maniac Mansion" featuring Ike is written.

■ **December:** Executives from Ralston and Family Channel and Ike travel to Toronto to shoot "Maniac Mansion."

■ **January:** Ralston and Family Channel negotiate a deal in which Ralston tags its 30-second image spots running on the channel with mentions of "Maniac Mansion" and the cable network. In exchange, Family Channel would regain time from local systems in a combination cash/barter deal, giving Ralston extra exposure in certain markets.

■ **February:** Family Channel produces an ad for *TV Guide* featuring Ike with "Maniac Mansion" star Joe Flaherty. The channel also starts producing on-air spots to mention Ike the dog's cameo.

■ **March 1:** 750,000 Lucky Dog brand dog food bags appear in supermarkets nationwide featuring details of the promotion. "Maniac Mansion" and Family Channel logos appear on the bags.

Ralston starts its image campaign on Family Channel with some spots tagged with Family Channel and "Maniac Mansion" logos. The channel starts on-air spots for "Hike With Ike" sweepstakes and his appearance on "Maniac Mansion."

■ **March 5:** The cable network hosts a luncheon in St. Louis for executives from Ralston and Advanswers to screen the upcoming show.

■ **March 9:** Ad runs in *TV Guide*. Coincidentally, the same issue features a cover story on "TV's most pampered pets."

■ **March 10:** Ike makes his debut on "Maniac Mansion" as part of a dream sequence in which he is "created" in a laboratory and named Ike, the Lucky Dog. Program gets a 1.8 rating (about 1 million homes).

■ **May:** Ralston counts 25,000 phone calls and 30,000 write-in entries to the promotion.

Ralston "was very pleased with the promotional exposure for Lucky Dog," says Patrick Farrell, manager-corporate information. "From that standpoint, we would do it again." □

Information supplied by the Family Channel.

Very addictive

'Value-added' plans hook marketers, and they won't let go

By Alison Fahey

Media companies beware: value-added programs are taking on narcotic properties.

"The client has become dependent on them; it's like a drug," says John Barbera, president of Turner Broadcasting Sales, a unit of Turner Broadcasting System.

The *Advertising Age*/Beta Research Corp. survey of media directors shows just how powerful a narcotic value-added programs have become. Asked to rank nine media decision-making factors on a scale of 1 to 5, where 5 is very important and 1 is not important at all, surveyed media directors gave value-added programs the top mean score of 3.96. Media-provided research ranked No. 2 at 3.39 and special events at 2.97.

"Value added" has evolved into a vague term used to describe any elements of a deal above and beyond the actual media buy, including special events. These extras frequently are offered at discount rates or no additional charge, and they run the gamut from promotions to custom publishing to free inventory in other media.

"The smart advertisers are really using the media to beef up their promotion efforts," says Dawn Sibley, exec VP-director of media and communications services at Ally & Gargano, New York. "[The media] throw in everything from the printing of booklets to tickets to tennis tournaments."

Clients and their agencies have come to expect value-added marketing programs, and media companies are quick to offer them.

However, media and agency executives say clients may come to rely too heavily on value-added marketing programs, which media companies may not always be so willing to offer.

"True," agrees Bonnie Barest, senior VP-media director at Bloom FCA, New York. "Once [media companies] set precedent, it'll be real hard to give it up."

However, she adds, agencies and clients look at value-added deals in a different way than media companies. "It's more of a partnership role [between clients and the media]," Ms. Barest says. "It's not something that should go away when there's more money available. In fact, there could be more of these types of programs when things are good."

Therein lies the danger for media companies looking to throw in some extras in tough times to make the sale.

"In a down economy you give, give, give," Mr. Barbera says. "When the economy bounces back, clients will still expect you to give." □

Scott Donaton contributed to this story.

Data stream turns torrential

Swimming in research, buyers grasp at syndicated over media surveys

By Scott Hume

Thanks to the media, agency buyers are drowning in data.

Each year, magazines, newspapers, broadcasters and out-of-home media send out a flood of quantitative research on subscriber or audience makeup. They balance this with qualitative surveys, profiling their audience's lifestyle interests and buying habits.

The results of both kinds of research land primarily at advertising agencies, where the reception to them is mixed.

The research is intended to provide agencies with information on consumer buying habits not available through standard syndicated research sources.

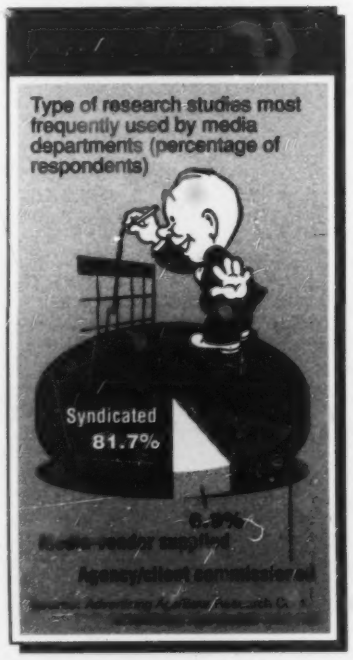
But the stacks of surveys also serve as a key sales tool, meant to impress on media buyers the importance of reaching the audience of a specific media property. That built-in bias always has made the media's own research suspect among some agency executives.

And with the information overflow now washing over agencies and the fiscal burdens media are facing, the role of media-supplied research is in question.

"Media companies pay money to have numbers that support their sales positions. It gives the sales reps something to talk about, but usually it's just not responsive to my needs," says Roger Baron, VP-director of media research at Foote, Cone & Belding, Chicago.

"That's not to say it doesn't have a role. It does, but it's a supporting role. It can help reinforce the case if you're recommending a new magazine or new media the syndicated research doesn't cover," he says. "But really I'd rather stick with research that we've paid for."

Mr. Baron's not alone in that thinking, according to the *Advertising Age*/Beta Research Corp. survey. When asked which type of research they use most often, only 6.9% of media directors say media vendors' studies. The majority—81.7%—turn to syndicated studies first, then client or agency-commissioned, custom research.



Robert Dillingham, VP-publisher of Hearst Corp.'s *Popular Mechanics*, concedes the primary importance of syndicated research but says that needn't negate the value of media-supplied data.

"Simmons and MRI and other syndicators have made the job of the media buyer easier, but the magazines still do proprietary studies to prove a point and to provide information that isn't available elsewhere," he says.

That information doesn't go ignored by media buyers. While media buyers may prefer other types of research, in a ranking of media sales tools, media-provided research ranks second only to value-added programs in terms of usefulness and ability to influence buyers' decision making, the *Ad Age*/Beta Research survey shows.

Michael White, exec VP-director, media department at DDB Needham Worldwide, Chicago, and others agree media-supplied audience research has a role—if properly understood and used.

"It very definitely has a place. All it needs is someone at the agency to evaluate it," Mr. White says.

"We encourage it. In some cases, we're pleading for it. We need to know where the consumer's mind is when reading a magazine, and we need to understand what messages they'd be open to. To me, that springs from the kind of editorial research [the media] do, and not what the syndicators do."

Such research serves to communicate the media company's story, says Margery Gladstone, associate publisher of *Lear's*, which has just completed a major readership study.

"For those who want to sell the lifestyle flavor of a book, and not just the numbers, [media-provided research] tends to tell much more than the syndicated research," Ms. Gladstone says.

"The huge magazines may not need to undertake as much research, but for smaller magazines, under 1 million subscribers, where the lifestyle fabric of the readership is so important, it's vital," she says.

Additionally, Ms. Gladstone says magazines that don't provide their own research studies court the perception that the numbers were too unfavorable to be released.

The development of new media, especially so-called "place-based" media, such as Actmedia and Turner Broadcasting System's in-store Checkout Channel or Whittle Communications' Special Reports Television in doctors' offices, has given media-supplied research additional importance.

Syndicated media research doesn't adequately cover some of these outlets, so agencies rely on the media themselves to provide audience information.

"The place-based media have recognized that they don't exist except for the numbers they generate, so their research is vital and it is improving," says Bob Warrens, senior VP-director, media resources & research at J. Walter Thompson USA, Chicago.

"These media have turned to A.C. Nielsen [Co.] or other established research vendors and developed a list of procedural guidelines to lend credibility to the emerging media and make the research usable. They know they can't sell [their media] unless the research meets industry standards."

Adds Bruce Goerlich, senior VP-media research at D'Arcy Masius Benton & Bowles, New York: "Would I take syndicated research over media-supplied? Sure. But when a magazine or a medium is new and unproven, you're buying from an investment point of view.

"All the new media are going to need research on traffic or subscribers, and we need to look at it and evaluate it, so I don't see the area of media-supplied research going away."

> "I'd rather stick with research that we've paid for."

The overall quality of both the audience and attitudinal research being supplied by the media has improved in recent years, many agency executives say, in part because more of it is being done by established researchers.

"A lot of it used to be very self-serving, based on selected facts, like a sales brochure," JWT's Mr. Warrens says. "Now the syndicators themselves are doing a lot of it and putting their own reputations behind this research."

Gaining credibility from an independent research company has become crucial, says Rick Jones, research director for *Reader's Digest*, which recently released a study on consumers and the environment conducted by Beta Research.

"The research needs to be perceived as independent and objective; that's why third-party involvement is important," he says.

While commissioning research is a "serious" financial commitment for *Reader's Digest*, Mr. Jones says the outlays are more than covered by the goodwill the magazine receives.

"We set up the *Reader's Digest* Consumer Panel two years ago. More than 50 clients took advantage of it last year [for research projects].

"It's an asset for our clients, and in this conservative market, many companies have reduced their in-house market research staffs," Mr. Jones says. "It gives us a proactive sales tool that can be part of an added-value package or utilized on a fee basis.

"While we look at every dollar we spend, are we looking at cutting budget for research? Not at this time or for the foreseeable future," he says.

The recession is decreasing the amount of new media outlets, especially magazines, being developed, but otherwise agency executives say they haven't felt the amount of media-supplied research decreasing.

That doesn't mean it won't be changing.

"I think you'll see more pooling of research in the larger media companies," Mr. Dillingham says. Hearst already has restructured its research department to allow more sharing of corporate data on consumers.

"And with the attention being given to cross-media packages, it's only natural that multimedia research will follow. Where you might once have had a *Life* study on entertainment trends, maybe you'll see a Time Warner study. But there'll still be value, and there'll still be interest." □

Doer's profile

Name: Jim Wyland

Title, agency: media planner, Foote, Cone & Belding Communications, Chicago

Years in current post: 1½

Years in media department: 4

When did you first start reading the newspaper? [Age] 13 or 14. I delivered newspapers, so I just liked reading while I was delivering. I mostly read the sports [section].

What newspapers do you read for world events, news? The *Chicago Tribune*.

What was your first magazine subscription? *Sports Illustrated*. I think I started getting them as a gift.

What magazines do you read for pleasure now? *Sports Illustrated* and, occasionally, *GQ* or *People*. I like *Sports Illustrated* because I want to keep on top of what's going on [in sports].

What were your favorite TV shows as a kid? "The $6 Million Man," "60 Minutes," "Walt Disney" and "Monday Night Football."

What cancellation of a broadcast TV show saddened you? "Thirtysomething" and "Hill Street Blues."

What are your favorite TV shows now? "Cheers," "L.A. Law," "Murphy Brown," "Coach" and "Doogie Howser, M.D."

What show captured your fancy when you first got cable? "SportsCenter" on ESPN. Every night around 10:00 or 10:30. It's just a half-hour or hour of sports of the day—what happened—with box scores.

What do you feel is the hottest cable show now? [I have] no idea.

What type of radio did you listen to as a kid? Pop, Top 40. I think pretty much all teen-agers like pop music. I don't know why.

What type of radio do you listen to now? New music, alternative rock. I listen to WXRT-FM [a Chicago progressive music station] in particular. I'm sick of Top 40.

What childhood movie influenced your life? "Rocky," because it was a good story of how you should never give up.

What's the last good movie you saw? "Silence of the Lambs." It was scary, and there was something about [the character Hannibal Lecter] that you liked.

What actor would you want to play your life story? Robin Williams, because I crave his sense of humor.

—*Julie Johnson*

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Making a short run

Those long-term ad packages, in this environment, are set for early cancellation

By Bradley Johnson

The prognosis for long-term media deals isn't particularly healthy.

While a big spender such as General Motors Corp. has shaken the industry with expansive multiyear packages, many media and marketing executives contend such long-term ad contracts are destined to remain the exception.

The recession is cutting off any immediate chances of long-term deals becoming commonplace as media outlets and advertisers alike worry more about coming months than coming years.

Although multiyear ad schedules should hold more appeal as the economy recovers, many media executives say even under better circumstances such contracts' appeal will remain limited.

Their prediction is supported by the *Advertising Age*/Beta Research Corp. survey of media directors in which only 14.9% say they are very interested in such deals and 37.6% claim to be somewhat interested. This compares with 20.3% who say they're somewhat disinterested and 27.2% who say they aren't interested at all.

"There hasn't been any great groundswell among national advertisers or retail advertisers to sign into multiple-year contracts," says John Kosanke, exec VP of Newspapers First, national rep for Knight-Ridder, Times Mirror Co. and other papers. "It could grow as we come out of the recession . . . [but] will never be a major factor."

Multiyear deals' primary attraction is potential cost savings, say 67% of surveyed media directors. But this benefit is lessened by the current depressed ad market, leading media sellers to shy away from offering long-term packages at today's media prices.

"It's a buyers' market," says one magazine executive who asked not to be identified. "It's not to a publisher's advantage to make a commitment two or three years out."

The drop in network TV's upfront prices this year, effectively returning prices to 1989 levels, offers another reason for advertisers' reluctance, says George Mahrlig, director of media services at Campbell Soup Co. "Doing a long-term contract last year wouldn't have put you in a very good condition this year," he says.

Both media buyers and sellers are accustomed to planning by quarter or a year out at most, another impediment to making multiyear pacts work. The amount of time or space advertisers purchase in various media also fluctuates year to year, offering little incentive to buy long-term.

"The tendency right now is to keep the funds as flexible as possible," says George Hayes, senior VP-director of media planning at McCann-Erickson Worldwide, New York.

The strongest multiyear deals for both sides are multimedia programs that give an advertiser the flexibility to move dollars among media owned by one company, but not too much flexibility to pull spending out of the company, Mr. Hayes says.

As it stands, multiyear contracts crop up most frequently where a media outlet has a hot property with limited available ad inventory. Almost 22% of surveyed media directors say guaranteeing an advertiser's presence in specific programming is the primary attraction of multiyear pacts.

ABC Radio Networks' "Paul Harvey Show," for example, is able to negotiate extended ad contracts because Mr. Harvey is sold out year-round, says Louis Severine, ABC Radio's senior VP-director of sales.

Multiyear deals also occur on TV and radio sports broadcasts, where the audience tends to be predictable and an advertiser wants to lock in a position to reach that particular audience.

Anheuser-Busch Cos. and Unocal Corp., for example, have five-year contracts to sponsor the Los Angeles Dodgers on KABC-AM. George Green, the station's president-general manager, says sponsorship of the baseball team entitles the companies to better rates and gives them merchandising advantages, such as in-stadium signage, personal appearances by baseball players and tickets.

Most ad reps, particularly in print, don't have the luxury of selling a finite medium, meaning advertisers face little chance of being locked out if they hold off on making a decision.

"We can always print more pages," says Craig Standen, VP-marketing/advertising at Scripps-Howard. "It's not like we're going to run out of paper."

Rather than pushing simple long-term contracts, Mr. Standen says he's more interested in developing ad programs that tie together a newspaper, special sections, preprints and a paper's alternative-distribution delivery service, allowing advertisers to reach either the total market or narrowly targeted consumers.

Other media executives and advertisers place similar hopes in packaging single-year buys involving one or more media rather than in pursuing long-term contracts. Such programs help wed an advertiser to a media outlet on the theory that a series of short-term ad contracts will create a long-term relationship.

At *Runner's World*, for example, Publisher George Hirsch attracted ads from Alamo Rent-A-Car by helping it organize a series of races. As long as Alamo is interested in racing, it presumably will be in *Runner's World*—even though its contract runs only for one year at a time.

Though short-term deals apparently will remain the standard, many executives at both media companies and advertisers say multiyear contracts will gain at least some acceptance in coming years.

"Like everything else, it starts with a running start, then you stumble, then you start running again," McCann's Mr. Hayes says. "Right now, we're in the stumbling phase."

But Mr. Hayes is reluctant to say just how soon—and to what degree—multiyear deals will take off.

"Everybody's going to be a little bit more tentative" emerging from the recession, he says, so for the foreseeable future there will not be any run on multiple-year deals. □

Doer's profile

Name: Meg Langley

Title, agency: national TV supervisor, BBDO Worldwide, New York

Years in current post: 1

Years in media department: 4

When did you first start reading the newspaper? Probably about eighth grade. I had to start reading *The New York Times* for class every day.

What newspapers do you read for world events, news? *The New York Times*. I usually read the world news section and the advertising column in the Business section. I like Wednesdays especially, with the Life section and the Metropolitan Diary.

What was your first magazine subscription? *Seventeen*. I cheated; I was about 15 when I got it, but I thought I was really cool because I was reading *Seventeen* at my age. I liked the write-in questions that the magazine would answer.

What magazines do you read for pleasure now? *Glamour*, probably for the same reasons I read *Seventeen* back then; *Premiere*, because I like to know about movies, production and actors; and *Time* or *Newsweek*, if I can get my hands on them.

What were your favorite TV shows as a kid? I remember I used to watch "Emergency!" on Saturday nights. I also liked "The Brady Bunch." Marcia was probably my favorite Brady kid.

What cancellation of a broadcast TV show saddened you? "Thirtysomething." Now I'm going to have to find something to do on Tuesday nights.

What are your favorite TV shows now? "L.A. Law" occasionally, "Murphy Brown," "Designing Women"—all the women 25-to-54 shows.

What show captured your fancy when you first got cable? My parents first got cable when I was home [after graduation] from college. I liked watching the movies on the premium stations. I also liked MTV.

What do you feel is the hottest cable show or network now? It's hard to say because when I think of something that's hot, I think of something that people talk about a lot. I don't really get a sense that there's anything that's hot. But I think the most innovative, changing network is MTV. I like to catch the Top 20 video countdown, and I zap into it once in a while.

What type of radio did you listen to as a kid? Top 40. I remember hearing a lot of Elton . hn. Probably the first album I got was by Styx or Chicago.

What type of radio do you listen to now? Classic rock. But sometimes I'll flip back to Top 40. I feel like I'm getting old when I don't know what the Top 20 singles are.

What childhood movie influenced your life? The first movie I remember seeing is "The Sound of Music." For a while I wanted to move to Austria, become a nun, marry a guy with a million kids and sing in the Alps. But maybe it didn't influence my life a lot since I'm doing what I'm doing now.

What's the last good movie you saw? "Dances With Wolves." I like Kevin Costner, and I thought the movie was really well-done. It didn't seem like a three-hour movie.

What actress would you want to play your life story? Michelle Pfeiffer. I think she'd add a lot of glamor to my life.

—Junu Bryan Kim

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Doer's profile

Name: John Fraser

Title, agency: media supervisor, Leo Burnett USA, Chicago

Years in current post: 10 months

Years in media department: 2 years, 10 months

When did you first start reading the newspaper? I guess it was probably not until high school, probably for a class in which we had to keep track of current events.

It was really a class that started me off getting interested in newspapers. Before that, though, I always kept an eye on the sports page.

What newspapers do you read for world events, news? Primarily the [*Chicago*] *Tribune*. I occasionally glance through [*The Wall Street*] *Journal* if something catches my eye, primarily in the marketing section.

What was your first magazine subscription? *Boys' Life*. I was a Boy Scout. And then, shortly thereafter, I started reading *Sports Illustrated*.

What magazines do you read for pleasure now? *Golf Digest, Time, Newsweek* and *U.S. News* [*& World Report*] are the biggies, and *Sports Illustrated* still.

What were your favorite TV shows as a kid? "The Brady Bunch" and "The Partridge Family." It was a big deal getting to stay up to watch those. "Wide World of Sports" was a biggie. Then I gradually progressed to the Saturday night shows: "Love Boat" and "Fantasy Island."

What cancellation of a broadcast TV show saddened you? Nothing offhand. I always was able to find or do something else equally entertaining.

What are your favorite TV shows now? Golf tournaments on Saturdays and weekend sports in general. "L.A. Law" is my prime-time favorite.

What show captured your fancy when you first got cable? "ESPN SportsCenter" and "CNN Headline News," because they were great capsule looks. Within 30 minutes, you could get a great idea of what was going on worldwide in sports and in the news.

What do you feel is the hottest cable show now? The best thing I can think of is the NBA playoffs on Turner.

Also, excluding the war coverage that was on CNN, I'd say the "MTV Music Video Awards" is a pretty good program, especially in terms of ratings for the size audience that could even see the show.

What type of radio did you listen to as a kid? As a youngster, I listened to hockey and baseball games. And surprisingly, I listened to morning talk shows with my folks as a little kid.

What type of radio do you listen to now? Now I listen to mostly classic rock, like older-type rock formats, more-music formats.

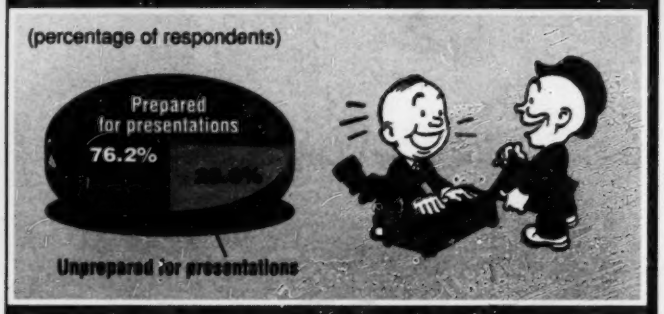
Both the time I listen to radio and the reason for listening have changed. Now it's more of a background medium; when I was younger, I was trying to get something, there was more of a direct purpose.

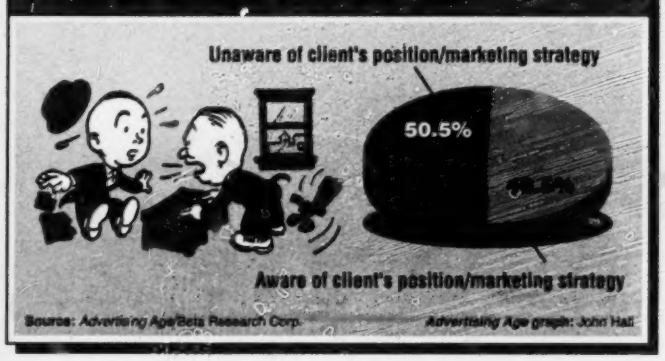
What childhood movie influenced your life? "Jaws." I still keep a light on in the house. That was so dramatic.

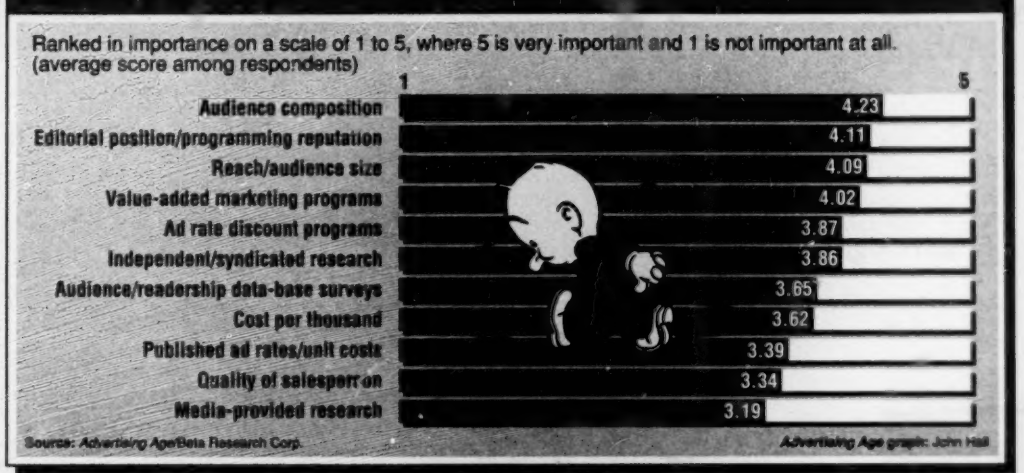
What's the last good movie you saw? "Dances With Wolves." I liked the overall cinematography of the film; certainly [Kevin Costner] had the ability to do what he wanted with film; he didn't have to crunch it into two hours. It was well-produced.

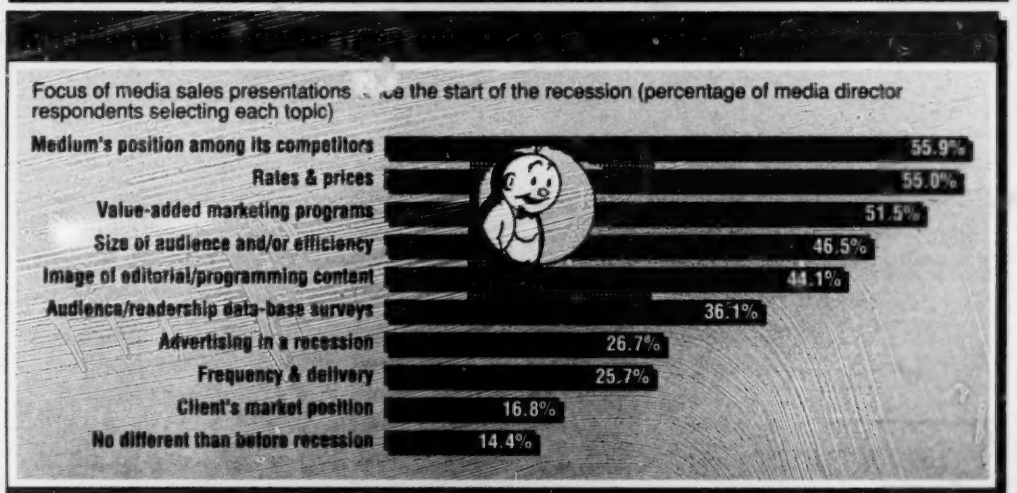
What actor would you want to play in your life story? Bill Murray. He could pull it off the best because he doesn't take himself too seriously.

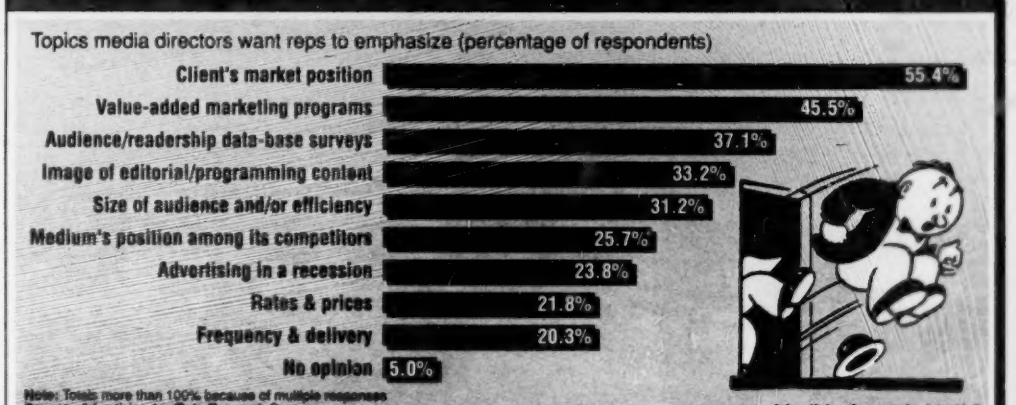
—Melanie Rigney




Unaware of client's position/marketing strategy
50.5%
Aware of client's position/marketing strategy
Source: Advertising Age/Beta Research Corp.
Advertising Age graph: John Hall


Ranked in importance on a scale of 1 to 5, where 5 is very important and 1 is not important at all.
(average score among respondents)
1
5
Audience composition 4.23
Editorial position/programming reputation 4.11
Reach/audience size 4.09
Value-added marketing programs 4.02
Ad rate discount programs 3.87
Independent/syndicated research 3.86
Audience/readership data-base surveys 3.65
Cost per thousand 3.62
Published ad rates/unit costs 3.39
Quality of salesperson 3.34
Media-provided research 3.19
Source: Advertising Age/Beta Research Corp.
Advertising Age graphic: John Hall


Focus of media sales presentations ... the start of the recession (percentage of media director respondents selecting each topic)
Medium's position among its competitors 55.9%
Rates & prices 55.0%
Value-added marketing programs 51.5%
Size of audience and/or efficiency 46.5%
Image of editorial/programming content 44.1%
Audience/readership data-base surveys 36.1%
Advertising in a recession 26.7%
Frequency & delivery 25.7%
Client's market position 16.8%
No different than before recession 14.4%


Topics media directors want reps to emphasize (percentage of respondents)
Client's market position 55.4%
Value-added marketing programs 45.5%
Audience/readership data-base surveys 37.1%
Image of editorial/programming content 33.2%
Size of audience and/or efficiency 31.2%
Medium's position among its competitors 25.7%
Advertising in a recession 23.8%
Rates & prices 21.8%
Frequency & delivery 20.3%
No opinion 5.0%
Note: Totals more than 100% because of multiple responses
Source: Advertising Age/Beta Research Corp.
Advertising Age graph: John Hall

Commodity

(Continued from Page S-2)
agency's clients and their needs without "canned," blandly generic presentations.

"I would like the ideal rep to do his homework or her homework before bolting into the meeting room with 65 boards and 32 slides," Mr. Kushins says.

He'd like presentations that are "more brief, focused and relevant to my clients' business. I don't want to have to tell people who my clients are. There's no excuse for that. I want them to be my business partner, bring me ideas and bring me concepts."

Buyers also don't want to see media reps who are desperate for an order.

"The sign of the most professional reps or good reps are the ones who keep our clients at the top of their minds and may forgo the immediate sale for what's better for the client," says Mickey Marks, associate media director at Jordan, McGrath, Case & Taylor, New York.

"The people I end up talking with are more able to talk about multidimensional deals" involving several properties of the media company, or about a long-range program that won't necessarily lead to a quick "buy" order, he says.

Sellers also should more often court media planners who help set strategy, not just buyers who place orders, agency executives say. That way, sellers will feel a part of the marketing process and can often suggest innovative programs before it's too late.

But some agency executives believe they must accept at least part of the blame for media sellers' emphasis on price.

"One of the main reasons reps aren't any better is that agencies aren't very good," Mr. White says. "Agencies will ask magazine people: 'I need merchandising; I need value-added,' . . . without a clue of what they want to be negotiating for.

"We have to be a lot smarter strategically, [because] clients don't understand media very well. They can understand 4% less [on prices], but to know the value of an end-aisle display, it's a whole lot harder to quantify." □

Doer's profile

Name: Amy Shaw

Title, agency: media buyer, Grey Advertising, Los Angeles

Years in current post: 1

Years in media department: 3

When did you first start reading the newspaper? About 8 or 9. I was an only child, and I read with my parents at the table. I began seriously reading in high school.

What newspapers do you read for world events, news? *Los Angeles Times*, occasionally *USA Today*.

What was your first magazine subscription? *Teen*, because all my friends were reading it. I succumbed to peer pressure.

What magazines do you read for pleasure now? *Victoria*. I like it because it's relaxing. *Good Housekeeping* because it's so real to life; *Glamour* because I get to see the clothes that I can't wear.

What were your favorite TV shows as a kid? "Happy Days" and "The Brady Bunch." I liked them because of the family orientation.

What cancellation of a broadcast TV show saddened you? "M*A*S*H" and "thirtysomething."

What are your favorite TV shows now? "Cheers," reruns of "I Love Lucy" and "M*A*S*H." "Murphy Brown" and "Designing Women." I like sitcoms.

I don't like things where I have to think, because I have to think too much on the job.

What show or channel captured your fancy when you first got cable? American Movie Classics. I like watching old movies.

What do you feel is the hottest cable show now? I really couldn't tell you. I don't watch a lot of cable.

What type of radio did you listen to as a kid? Contemporary hit radio. I just liked the personalities. I grew up in Houston and they had a great morning zoo.

What type of radio do you listen to now? Adult contemporary and Christian talk radio.

What childhood movie influenced your life? "Mary Poppins." I just thought Mary Poppins was a perfectly practical person—that was what she called herself.

What's the last good movie you saw? "The Hunt for Red October." I liked the action.

What actress would you want to play your life story? Vivien Leigh, just because she's sassy and spirited. I think I could use that in my life, but deep down she has a good heart.

—*Julie Johnson*

'Multi-mania'

(Continued from Page S-21)
stop argument will be disappointed. Only 9.7% of the respondents who say they are interested in multimedia buys cite "one-stop buying/ordering" as the reason.

Cited most often—by 50% of the respondents—is the ability to reach the target audience. About one-third cite cost advantages.

Perhaps even more than agencies, media companies also must shed their profit center outlook, agency executives say.

For example, individual publishers, out to protect their own budgets, might not want to participate in a multimedia deal.

The solution is to put a high-level executive in charge of the packages, "someone who has the authority to *insist* the individual companies participate in the overall deal," Mr. Drexler says.

That's what happened in the Chrysler/Time Warner deal, he says, when he dealt directly with Donald Elliman, an exec VP of Time Warner's magazine operations who had the power to combine assets.

When more than one brand is involved, the same problems of self-interest can crop up at clients. Agency executives cite, for example, brand managers only interested in their own brands.

"What they are not interested in, many times, is the grand scheme of the company, or large corporate savings that can be effected by doing one of these deals," Mr. Wray says.

These obstacles could prove significant enough to dash existing high hopes for multimedia deals.

"I think in everybody's dreams we'd love [the multimedia deal] to be" the wave of the future, says McCann-Erickson's Mr. Link. "The reality of thinking it through and making it really work is something else."

Bozell's Mr. Drexler says he is unfazed by the skepticism.

"I don't pay any attention to the naysayers," he says. "When they figure out how to do multimedia deals right, they'll be converts, I assure you." □

NOTE

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Cov. 1, Pgs: 2, 13, 28, 29